



NAMAKWA

DISTRICT MUNICIPALITY



**Annual Report
2009/2010**

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Signature:

J T Loubser
Acting Municipal Manager



Vision

“The establishment of a development-orientated and economically viable district through sustainable growth”

Mission

Promotion of the quality of life of the Namakwa community through purposeful and quality service, and the effective and optimal utilisation of resources, focussing especially on:

- Economic development
 - Development, upgrading and maintenance of basic infrastructure
 - Development of human resources
- Sustainable management and optimal utilisation of operational and natural resources
 - Creating of a safe, healthy and investment-friendly environment
 - Development of opportunities for local entrepreneurs
- Ensuring friendly, credible and transparent services and client satisfaction.

foreword: Executive Mayor

This report reflects on the activities during the 2009/10 financial year and should not be viewed as just a compliance exercise but rather as a sincere and genuine attempt to give expression to the commitment and responsibility of Council to be accountable to the electorate and all other stakeholders.



The year under discussion was marked by political stability and coherence. All councillors irrespective of their political affiliation were committed to co-operation (working together) to better the quality of life of all the residents in our area of jurisdiction.

The finances of the municipality remain stable and no financial crisis was experienced. This is the result of financial discipline and good planning. We received twice in a row an unqualified Auditor report with certain matters of emphasis and know that we are on course to a clean audit even before the target year of 2014. Both Council and the administration are working together within the scope of legislation to achieve this milestone. We are cognizant of

the fact that financial skills and capacity within the administration consistently pose a challenge to us as is the case in other municipalities in the District. The same can be reported in terms of technical skills.

Although there is room for improvement in the performance of the municipality as a whole I want to thank everyone (Councilors and employees) for contributing to the success of the municipality. We are faced with many challenges one of which is certainly socio-economic development of the District. We need to be ruthless but sensitive in the fight against poverty, crime, HIV/Aids and stay focused and committed to better health care services, education, upgrading of our townships and alternative economic activities (e.g. the optimal utilization of the Orange River in terms of irrigation (including the construction of a dam) as compare to mining. The downscaling of mining activities (especially De Beers and Black Mountain) had a serious adverse effect on our economy and many households. We need to identify other economic sustainable projects to reverse the situation. We also need to put more energy and resources into the SMME and co-operative sectors. We should expand our tourism sector in order to create more jobs. The fishing opportunities should also be speedily expedited to cater for a decent living for our brothers and sisters along our coastline.

I take this opportunity to encourage all municipalities to put in place contingency plans to mitigate the effects of climate change. In some areas we will experience serious droughts and in other parts floods and higher sea levels.

To the public and other stakeholders such as government departments, non-governmental organizations and service providers I thank you for your constructive role and support. In working together we can do better. We believe that we can achieve the objective of a united, non-sexist, non-racial, democratic and prosperous Namakwa District Municipality.

Overview of Departments

ADMINISTRATION

Objective

The strategic objectives of the Administration function are to effectively and efficiently manage all administration services vested in the department of administration.

Overview

The Administration may best be described as the backbone of municipal governance. The main purpose is to support political structures by providing services to enhance governance and service delivery capacity.

Administration Management Services is internally focused. The basket of services rendered by the unit ensures that the municipality and council function optimally. The Administration section mainly provide administrative support to Council which inter alia includes Agendas, Minutes, Property Administration, Archives, Administration regarding transfer of properties and general day to day related administrative processes and functions. The Council granted approval for the Record Management Policy which have been developed to institutionalize best practice, achieve an optimal fit amongst the employee, job, working environment and the municipality in order to ensure that employees reach their desire level of job satisfaction and performance.

Challenges

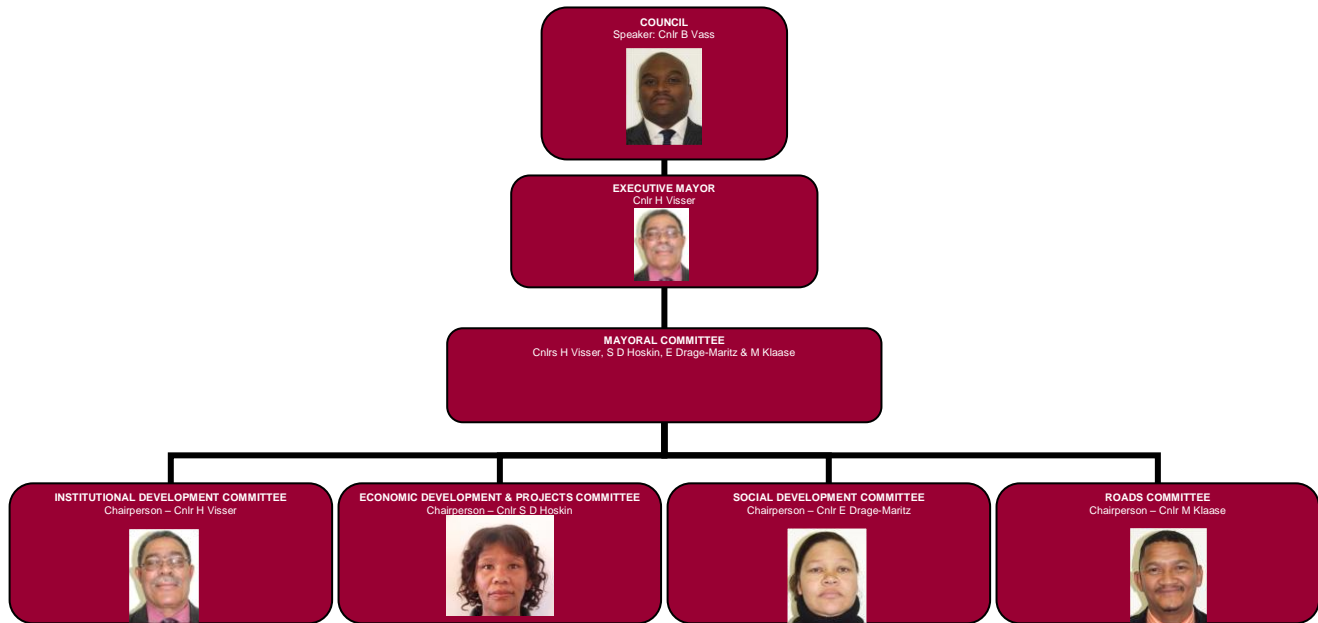
The biggest challenge that we face in our unit is a shortage of staff due to long term illness of two staff members. We have changed it to a positive situation when we recruited 12 unemployed people on a monthly basis from our database and created part time jobs.

The administration team provides their unconditional support which enables us to succeed on every level in our department.

The administration staff expresses their appreciation to the Acting Municipal Manager for his support and guidance through the year which enable us to deliver good services.

HUMAN RESOURCES AND OTHER ORGANISATIONAL MANAGEMENT

Political Structure



Office of the Executive Mayor

We appointed a Project Manager, in the Office of the Executive Mayor, to assist with the implementation of the Social and Labour Plans of the mining companies in the Region. In the next financial year a Special Programmes Officer will also be appointed to assist with the implementation of programmes for the target groups.

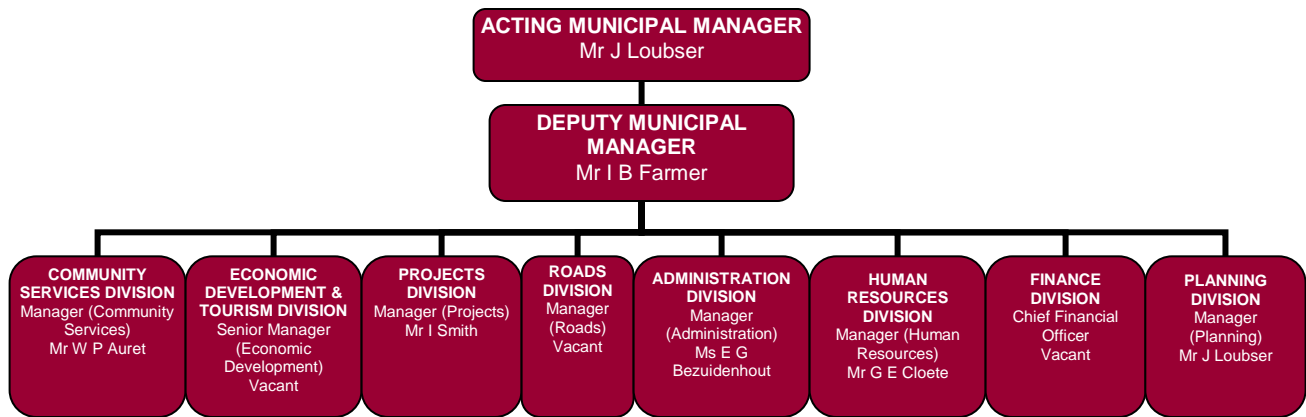
Office of the Speaker

The Secretary in the Office of the Speaker resigned and we temporarily appointed a person for three months to assist with the duties.

Council and Committees

Our Committees are functioning well and no major changes have been made during the year.

Organisational Structure

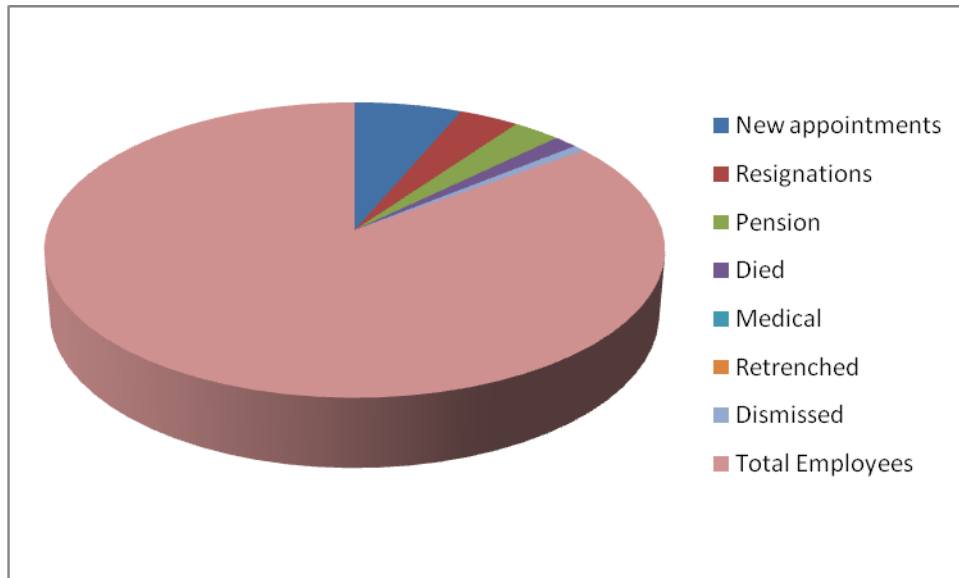


The Management team of the Namakwa District Municipality consists of 3 Coloured Men, 1 Coloured Woman and 2 White Men. Our profile is as follows.

Occupational Categories	PERSONNEL PROFILE								
	Male				Female				
	B	C	I	W	B	C	I	W	TOTAL
Legislators, senior officials and managers		3		3		1			7
Professionals		4		3		3		1	11
Technicians and associate professionals		3		1					4
Clerks		15		1		25		2	43
Service and sales workers						3			3
Skilled agricultural and fishery workers									0
Craft and related trades workers		2		3					5
Plant and machine operators and assemblers	2	16							18
Elementary occupations	1	25				3			29
TOTAL PERMANENT	3	68		11		35		3	120
Non – permanent workers									
GRAND TOTAL	3	68		11		35		3	120

During the year a few positions were filled while a few positions became vacant.

New appointments	Resignations	Pension	Died	Medical	Retrenched	Dismissed	Total Employees
9	5	4	2	0	0	1	120



Policies

Council approved the revised policies on 27 May 2010.

Employment Equity

Our next Employment Equity report is due for 1 October 2010. Our Employment Equity Plan will also be reviewed.

Skills Development

More than 50% of the training budget was spent this year. Councillors and employees received training. The interns started with the Municipal Finance training through the Vulindlela Academy of DBSA. Three Councillors are involved in the Executive Leadership Management Development Programme.

Four of the employees completed the Municipal Finance Management Development Programme and another five will start with it in the next financial year in order to reach the minimum competency levels by 2014.

Occupational Categories	PERSONS WHO RECEIVED TRAINING								
	Male				Female				TOTAL
	B	C	I	W	B	C	I	W	
Legislators, senior officials and managers		4		3		1			8
Professionals		4		3		3		1	11
Technicians and associate professionals		5		4					9
Clerks		13		1		24		2	40
Service and sales workers		1				3			4
Skilled agricultural and fishery workers									0
Craft and related trades workers									0
Plant and machine operators and assemblers	2	16							18
Elementary occupations	1	8				3			12
TOTAL PERMANENT									
Non – permanent workers									
GRAND TOTAL	3	51		11		34		3	102

Performance Management

We are renewing our licence and updating ePerform in order to do our Service Delivery and Budget Implementation Plan (SDBIP) and performance measurement electronically. We anticipate to measure performance of the Section 57 employees and other senior employees through the same system.

Our Individual Performance Management System Policy (IPMS) will also be finalised then.

Governance

Our Municipal Manager and Head of Roads resigned while our Deputy Municipal Manager is still suspended. The Acting Municipal Manager was responsible to finalise the budget and financial statements as required by legislation and has done so.

Human Resources Management and Development Forum

The District Human Resources Practitioners Forum did not meet often this year because of the SALGA Human Resources Practitioners Forum meetings that occurred more often.

INFRASTRUCTURE DEVELOPMENT: PROJECTS

Introduction

As a District we strive to speed up effective service delivery. By addressing the backlog within our communities together with the construction of new infrastructure we also aim to create the maximum job opportunities for the unemployed based on EPWP principles.

Housing

We are pleased to announce that the housing project for Hondeklipbaai, which was implemented by the District on behalf of Kamiesberg Municipality, was completed. In conjunction with COGHSTA, the local Municipalities completed a lot of Low Cost housing through all the challenges faced within the Municipalities.

The Sizamile (Port Nolloth) 100 housing and the Khai Ma housing project are still in progress. New housing projects were already identified to be implemented in the next financial year.

Water & Sanitation

The upgrading of the Loeriesfontein-, Williston-and Sutherland Oxidation were completed.

The following water and sanitation projects are but a few of the projects that will be implemented in the next financial year: Pofadder Bulk water supply, Upgrading of Sewer network in Niewoudtville, Lepelfontein Bulk water supply, Upgrading of solid waste and Oxidation ponds in Richtersveld, etc.

Sports Facilities

The construction of Port Nolloth sports facilities are still in process. Upgrading works to Bergsig, Matjieskloof and Nababeep sport facilities were also done. Tenders were requested for Consultant services to complete phase 2 of the Okiep Sport facilities.

Community Buildings

Lepelfontein Multi Purpose Community Centre (MPCC) is nearly completed. A tender process was followed for the Bergsig-Vaalwater community centre and phase 1 of the project will be completed in the near future.

Blue Drop/ Green Drop

The Blue- and Green drop certification programs which were initiated by Department of Water affairs to ensure that drinking water and sewer water quality are complying with regulations are also making good progress. The municipalities will be assessed in November 2010 for compliance.

Budget Control

Through effective management of the available budget there was no overspending on projects. Strict financial control will be enforced for current as well as for future projects.

General

Through effective planning we want to improve service delivery and create more job opportunities through Labour Intensive Construction methods. We also aim to address challenges faced to improve production and savings.

One of our objectives is to empower our SMME's and locals through learning programs and on the job training.

We live out the Batho Pele Principles by putting our people first.

COMMUNITY SERVICES: ENVIRONMENTAL HEALTH

Planning

Planning for delivery of environmental health services is being done according to the following plans:

- IDP Namakwa District Municipality
- Fifa 2010 World Cup Soccer Guidelines
- Health Care Waste plan
- Health and Hygiene plan;
- Communicable Diseases Preparedness plan
- Provincial Water and Sanitation plan
- Namakwa Water Safety plan
- Namakwa Waste Management plan
- District Environmental Health plan
- Indoor Air Quality Management

Community Services formed part of identifying shortcomings and play a major role in collaboration with local role players and Provincial Departments establishing above mentioned plans as well as carrying out its contents.

IDP Projects

After proper research and consultation the following were identified:

- Prevention and treatment of communicable diseases
- Implementation of waste management plans
- Implementation of municipal health services during and after Fifa World Cup
- Water monitoring and quality management
- Evaluation and education in food safety
- Education in personal health and hygiene

The following table demonstrates progress and successes in the implementation of the IDP programmes.

JULY 2009 TO JUNE 2010

PROJECT	ACTIONS TAKEN	TARGETS REACHED
Communicable diseases	291 reported cases reached / education sessions	5645 patients / family members / inhabitants / health workers
Waste management	210 investigation / evaluation/ education sessions	705 councillors / technical personnel / public
Fifa World Cup	304 education sessions	212 businesses / municipalities / communities
Water quality management	374 training sessions in quality / safe use	1383 councillors / municipal workers / public / schools
Food safety	316 education actions	3294 owners / food handlers informal and formal / school feeding schemes
Health and Hygiene	325 education sessions	10534 schools / health workers / inhabitants

Overview

Good progress was made with the devolution of Municipal Health Services. An Article 78 desktop study according to the Municipal Structures Act is completed and approved by Council.

Fifa World Cup preparedness plans were successfully implemented. 212 Formal and informal business opportunities were created and trained in basic food preparation and hygiene. 52 Event coordinators as well as their communities were also empowered in basics of environmental health.

The function and management of indoor air quality is adopted and the appointment of an Indoor Air Quality Officer is completed.

Special programmes as mentioned above are taking place on a continuous base in all communities in the Namakwa Region.

Training is offered on a continuous base. The District Municipality committed herself towards orientation and induction of Community Service Practitioners as well as students from accredited institutions.

Very good practices of liaison and communication exists between the various Provincial Departments, Local Municipalities and the District Municipality

Disaster Management

Communication:

In the Namakwa District Municipality there are two NEAR stations situated in Springbok and Calvinia respectively that is 24 hour operational with a staff of 4 at each station. These stations are responsible for the National Emergency Alarm Radio system, the link between the vast, sparsely populated rural areas and communication between the EMS and SAPS and other emergency services. They are also responsible for the 10177 emergency numbers.

Awareness campaigns:

Awareness campaigns were held at schools and the children was enlighten on the different kinds of disasters and on risk reduction. In total 2147 children were educated on disaster matters.



Training: Fire and First –aid:

The Namakwa District Municipality started with first aid training of our colleagues in the offices and this process will roll out to the offices in Calvinia and Fraserburg also.

We also started with the training of municipal workers at the different local municipalities on fire fighting. This was a two day workshop on how to extinguish a fire and in the handling of the AFT's (Advance fire technology) and skid units. The farmers of Agri Namakwa also joined the session on the handling of the bakkie skid units. In total 46 persons was trained.

Grants from treasury:

The Namakwa District Municipality received two grants from province. The Fire Grant that was allocated has been divided between the six local municipalities and the DMA. Each of the municipalities received an amount of R 45 700.00 for purchasing fire equipment to address their needs.

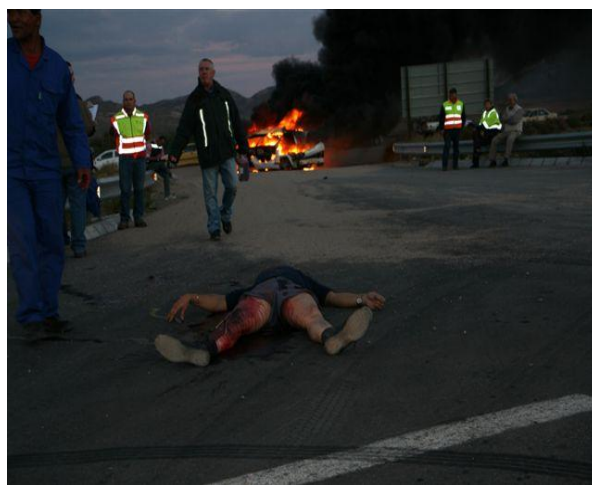
The NEAR grant that was allocated to the district was used for the expansion of the radio system and to buy skid units. The district bought 35 radios, antennas and power packs that will be installed at Police stations and municipalities. This radio's will be used during disasters to communicate with the NEAR stations and communities.

The skid units (15) that were bought will be placed on farms in the high risk areas for fires.

Other disaster management initiatives:

The Disaster management office of the Namakwa District with the help of Department of Health at Upington held four joined simulation exercises in Springbok and Calvinia. During these exercises the following departments were evaluated:

EMS, Forensics, SAPS, NEAR station, Hospital, Fire department, Local- and Provincial Traffic. This exercises indicated the problem areas to be addressed by the different departments and a report on each simulation was distributed to the relevant local municipalities. This report was also taken to the local IGR and Provincial IGF.



The Disaster Management centre also took the initiative to place five fire extinguishers in strongboxes in the community of Swartkops to help with fire fighting.



Disaster Management Plan:

The Namakwa District Municipality is busy with the compiling of a Disaster Management Framework, risk analysis and Plan for the district and its local municipalities.

Annual Performance Report – (01 JULY 2009 – 30 JUNE 2010)

FINANCE AND ADMINISTRATION

Administration

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
1	Review and technical/legal editing of all Council policies.	Annually									
	Revise and editing of policies	Annually	3%	100%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Council approval	Annually	3%	100%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1- Still to be approved. Q2 - Q3 - Q4 -	Q1- Will be approved before March 2010. Q2 - Q3 - Q4 -
	Refer for legal editing	Annually	3%	100%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Distribution of policies	Annually	1%	100.00%	70.00%	1.00%	1.00%	1.00%	0.70%	Q1- Q2 - Q3 - Q4 - Waiting approval from Archives	Q1- Q2 - Q3 - Q4 - Follow up with Archives
2	Timely compilation and distribution of agendas and minutes for all Council meetings within 14 days prior to the meetings.										
	Request all departmental reports and additional documents and agenda	Quarterly	4%	100.00%	100.00%	4.00%	4.00%	2.00%	4.00%	Q1- Q2 - Q3 - Submission from HOD's late. Q4 -	Q1- Q2 - Q3 - Address issue on Management level. Q4 -
	Bound all documents in book form	Quarterly	4%	100.00%	100.00%	4.00%	4.00%	4.00%	4.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Distribute to all relevant stakeholders	Quarterly	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
3	Timely compilation and distribution of agendas and minutes for all management meetings by Thursday after the meeting.										

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Taking of minutes	Continuous	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Preparing minutes and agendas	Continuous	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Distribution of agendas and minutes	Continuous	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
4	The compilation of all minutes of meetings of the Council. (No later than 2 weeks after the meeting)										
	Taking of minutes during council meetings	Quarterly	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Compile minutes for proof reading	Quarterly	10%	100.00%	100.00%	10.00%	10.00%	10.00%	10.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Finalisation of minutes by Municipal Manager	Quarterly	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
5	The compilation and the capturing of Council resolution Register and submission thereof to the Municipal Manager within 7 days after the meeting										
	Taking of resolutions	Quarterly	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Compiling of resolutions	Quarterly	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Proof read of resolutions	Quarterly	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Submit for approval	Quarterly	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Distribute to all HOD's for implementation	Quarterly	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
6	Incoming correspondence [letters, facsimiles, e-mail, memorandums] -										
	Daily electronic capturing of all correspondence.	Continuous	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Daily correspondence be distributed to relevant officials	Continuous	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
7	Obtain Disposal Authority for all closed files and act according to guidelines as prescribed.	Annually	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
8	Compile, update and maintain contract register and other relevant registers.										
	Keeping and update of all contract registers.	Continuous	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Outgoing files register	Continuous	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Incoming and outgoing faxes	Continuous	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Keep council resolutions	Continuous	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
9	Recommendations on and writing of Standard Operational Procedures (SOP's) for the effective function of Administration Segment	Continuous	12%	100.00%	100.00%	12.00%	12.00%	12.00%	12.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -

TOTAL FOR THE VOTE SELECTED - %	100%
CONVERTED TO 100% FOR THE VOTE	100.00%

ACTUAL SCORE FOR THE VOTE

Performance for September 2009	100.00%	100.00%
Performance for December 2009	100.00%	100.00%
Performance for March 2010	98.00%	98.00%
Performance for June 2010	99.70%	99.70%
Average Performance for the Year	99.43%	99.43%

FINANCE AND ADMINISTRATION

Human Resources

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
1	Assistance with the recruitment and selection of vacant positions that has been budgeted for after approval has been granted for advertising										
	Drafting and placement of advertisement	Continuous	1%	100.00%	100.00%	0.20%	0.33%	1.00%	1.00%	Q1- Only two posts were advertised. Moratorium on filling of vacancies Q2 - Two new positions were advertised Q3 - Q4 -	Q1- Council must take decision on critical posts Q2 - The other positions must be filled Q3 - Q4 -
	Shortlisting of applications	Continuous	1%	100.00%	100.00%	0.20%	0.33%	1.00%	1.00%	Q1- Only two posts were advertised. Moratorium on filling of vacancies Q2 - Two new positions were advertised Q3 - Q4 -	Q1- Council must take decision on critical posts Q2 - The other positions must be filled Q3 - Q4 -
	Participate in interviews if allowed	Continuous	1%	100.00%	100.00%	0.10%	0.00%	1.00%	1.00%	Q1- Interviews were conducted only for the one position Q2 - Only one interview was done and we were not involved Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Appointment of successful candidate	Continuous	1%	100.00%	100.00%	0.10%	0.25%	1.00%	1.00%	Q1- Only one position will be filled Q2 - One of the previous quarters positions was filled and one of the two of this quarter Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Induction	Continuous	1%	100.00%	100.00%	0.00%	0.25%	1.00%	1.00%	Q1- Engagement date is for next quarter Q2 - The new three incumbents received induction Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
2	Effective management of Labour relations issues (Disciplinary cases, grievances, disputes & LLF)										

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	DISCIPLINARY HEARINGS Appoint prosecutor	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Appoint presiding officer/tribunal	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Notify employee of date of hearing and present charge sheet	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Keep minutes of hearing and record proceedings	Continuous	1%	100.00%	70.00%	1.00%	1.00%	1.00%	0.70%	Q1 - Q2 - Q3 - Q4 - One hearing was cancelled and 2 postponed out of 10.	Q1 - Q2 - Q3 - Q4 - Hearings scheduled for August
	Attend hearing (unless other arrangements have been made)	Continuous	1%	100.00%	70.00%	1.00%	1.00%	1.00%	0.70%	Q1 - Q2 - Q3 - Q4 - One hearing was cancelled and 2 postponed out of 10.	Q1 - Q2 - Q3 - Q4 - Hearings scheduled for August
	Inform Municipal Manager and employee of outcome and his/her rights i.t.o. Appeal (if necessary)	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Municipal Manager was informed that the hearing was postponed till January 2010 Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	GRIEVANCES Assist with completion of grievance form when asked	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - No grievance was received Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Update grievance register when reported and hand to supervisor	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Follow up on progress of grievance	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Attend grievance hearing/meeting when requested	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	If not resolved, hand grievance to next supervisor or head of department	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Follow up on progress of grievance	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Attend grievance hearing/meeting when requested	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	If not resolved, hand grievance to Municipal Manager	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Follow up on progress of grievance	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Attend grievance hearing/meeting when requested	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Inform employee of decision of Municipal Manager and his/her right to report dispute (if necessary)	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	DISPUTES - CONCILIATION/CON- ARB/ARBITRATION/LABOUR COURT If dispute is referred to SALGBC, take note and prepare all relevant documents	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - The conciliation was rescheduled for next year and the arbitration was cancelled due to settlement being reached Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Attend conciliation hearing when notified	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Inform Municipal Manager of the outcome of the hearing	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	If dispute was unresolved and submitted for con-arb or arbitration, prepare all relevant documents and witnesses	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Prepare for con-arb or arbitration	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Attend con-arb/arbitration hearing when notified	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Inform Municipal Manager of the outcome of the hearing	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	If still unresolved and referred to Labour Court, follow the same procedure	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	LLF Confirm availability of stakeholders for LLF meeting	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Ask for agenda items with motivations	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Send out agenda and minutes of last meeting	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Attend LLF meeting	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Keep minutes of LLF	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Inform Council and personnel of agreements	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
3	Organise staff/info meetings 4 times a year in Springbok, Calvinia and Fraserburg.										
	Prepare meeting schedule on year planner	1-Jul-09	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Ask for agenda items with motivations	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Inform personnel of meeting	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Chair meeting and keep minutes	Continuous	1%	100.00%	100.00%	0.67%	0.67%	1.00%	1.00%	Q1- Only 2 meetings were held Q2 - Q3 - Q4 -	Q1- Meetings to take place as planned Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Refer items to Management and Council (if necessary)	Continuous	1%	100.00%	100.00%	0.67%	0.67%	1.00%	1.00%	Q1- Only 2 meetings were held Q2 - Q3 - Q4 -	Q1- Meetings to take place as planned Q2 - Q3 - Q4 -
	Inform personnel of outcome	Continuous	1%	100.00%	100.00%	0.67%	0.67%	1.00%	1.00%	Q1- Only 2 meetings were held Q2 - Q3 - Q4 -	Q1- Meetings to take place as planned Q2 - Q3 - Q4 -
4	Drafting and submitting of Skills Development Plan (WSP) before 30 June 2010										
	Skills Audit	31-Mar-10	1%	100.00%	100.00%	1.00%	1.00%	0.50%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Budget	31-Mar-10	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Report on previous WSP	30-Jun-10	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Complete WSP and submit two signed copies to LGSETA	30-Jun-10	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
5	Implementation of WSP										
	Procure training providers	1-Jul-09	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Inform Heads of Department and personnel of planned training to make necessary arrangements	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Assist with the logistics if necessary for training to take place	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Make arrangements for payment of training providers	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
6	Complete and submit monthly training reports	Monthly	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
7	Assist B-Municipalities with completion of WSP, monthly reports and ATR	Quarterly	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
8	Complete and submit annual training reports	Annually	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
9	Prepare year planner										
	Compile all relevant information	15-Jun-10	1%	100.00%	90.00%	1.00%	1.00%	1.00%	0.90%	Q1 - Q2 - Q3 - Q4 - Did not receive all the information on time	Q1 - Q2 - Q3 - Q4 - Follow-up with HODs requesting outstanding information.
	Discuss draft with stakeholders	15-Jun-10	1%	100.00%	90.00%	1.00%	1.00%	1.00%	0.90%	Q1 - Q2 - Q3 - Q4 - Draft year planner not fully completed	Q1 - Q2 - Q3 - Q4 - Complete draft planner and schedule a work session with stakeholders
	Procure printing	15-Jun-10	1%	100.00%	0.00%	1.00%	1.00%	1.00%	0.00%	Q1 - Q2 - Q3 - Q4 - Can only procure printing when draft is finished	Q1 - Q2 - Q3 - Q4 - Will have to complete in July
	Distribute to stakeholders	30-Jun-10	1%	100.00%	0.00%	1.00%	1.00%	1.00%	0.00%	Q1 - Q2 - Q3 - Q4 - Can only distribute when product is available	Q1 - Q2 - Q3 - Q4 - Will have to complete in July
10	Budget Control - Income (collect 50% of skills levy paid to SARS)	Continuous	2%	100.00%	100.00%	0.00%	1.50%	1.50%	1.50%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
11	Conduct departmental meetings at least 4 times a year.										
	Prepare meeting schedule on year planner	Quarterly	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Ask for agenda items with motivations	Quarterly	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Inform personnel of meeting	Quarterly	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Chair meeting and keep minutes	Quarterly	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Refer items to Management and Council (if necessary)	Quarterly	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Inform personnel of outcome	Quarterly	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
12	Ensure reclaiming of all Skills Development money due.										
	Submit WSP, ATR and name of SDF to LGSETA before 30 June	30-Jun-10	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	Implement planned training	continuous	1%	100.00%	34.00%	0.52%	0.26%	0.17%	0.34%	Q1 - Only four courses of 27 have been offered yet Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
13	Revision of Employment Equity Plan by June 2010.										
	Table current Employment Equity Plan at LLF	Continuous	1%	100.00%	0.00%	1.00%	1.00%	1.00%	0.00%	Q1 - Q2 - Q3 - Q4 - Revision not finished yet	Q1 - Q2 - Q3 - Q4 - Schedule a LLF meeting to table current EEP.
	Revise if necessary	Continuous	1%	100.00%	50.00%	1.00%	1.00%	1.00%	0.50%	Q1 - Q2 - Q3 - Q4 - Revision not finished yet	Q1 - Q2 - Q3 - Q4 - Will have to complete in July
	Table again at LLF	Continuous	1%	100.00%	0.00%	1.00%	1.00%	1.00%	0.00%	Q1 - Q2 - Q3 - Q4 - Revision not finished yet	Q1 - Q2 - Q3 - Q4 - Will have to complete in July

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Submit to Council for final approval	30-Jun-09	1%	100.00%	0.00%	1.00%	1.00%	1.00%	0.00%	Q1- Q2 - Q3 - Q4 - Revision not finished yet	Q1- Q2 - Q3 - Q4 - Will have to complete in July
	Inform personnel of revised EEP	30-Jun-09	1%	100.00%	0.00%	1.00%	1.00%	1.00%	0.00%	Q1- Q2 - Q3 - Q4 - Revision not finished yet	Q1- Q2 - Q3 - Q4 - Will have to complete in July
14	Compile and submit Employment Equity Report in terms of Legislation to Department of Labour.	30-Sep-10	5%	0.00%	0.00%	5.00%	5.00%	5.00%	5.00%	Q1- Not necessary to report because we have less than 150 employees Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
15	Capture approved leave forms on weekly basis on leave system	Continuous	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
16	Maintenance of Council Performance Management System in cooperation with PIMS Centre.	Continuous	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
17	Drafting, submission and follow-up of signing of Performance Agreements of Municipal Manager and Senior Managers.	Within 7 days after approval of 2008/09 budget.	2%	0.00%	0.00%	2.00%	2.00%	0.00%	2.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
18	Budget Control - Expenditure	Continuous	2%	100.00%	100.00%	0.00%	1.50%	1.50%	1.50%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
19	Review and approval of Individual PMS.	30-Sep-10	3%	0.00%	0.00%	0.00%	3.00%	3.00%	3.00%	Q1- Not approved yet Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
20	Implementation of Individual PMS.										
	Workshop draft concept policy	Continuous	1%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Workshop not done yet Q2 - Q3 - Q4 - Workshop not done yet	Q1- Workshop to take place Q2 - Q3 - Q4 - Will have to appoint service provider to draft policy in line with organisational PMS
	Approval of PMS	Continuous	1%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Workshop not done yet Q2 - Q3 - Q4 - No approval of PMS	Q1- Workshop to take place Q2 - Q3 - Q4 - Will have to appoint service provider to draft policy in line with organisational PMS

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Workshop/info session with staff after approval	Continuous	1%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Workshop not done yet Q2 - Q3 - Q4 – Workshop not done yet	Q1- Workshop to take place Q2 - Q3 - Q4 - Will have to appoint service provider to draft policy in line with organisational PMS
	Implementation of iPMS	Continuous	2%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- IPMS not approved yet Q2 - Q3 - Q4 – IPMS not approved yet	Q1- Workshop to take place Q2 - Q3 - Q4 - Will have to appoint service provider to draft policy in line with organisational PMS
	Monitoring of implementation	Continuous	1%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- IPMS not approved Q2 - Q3 - Q4 - IPMS not approved	Q1- Workshop to take place Q2 - Q3 - Q4 - Will have to appoint service provider to draft policy in line with organisational PMS
	Reporting on implementation	Continuous	1%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- IPMS not approved Q2 - Q3 - Q4 - IPMS not approved	Q1- Workshop to take place Q2 - Q3 - Q4 - Will have to appoint service provider to draft policy in line with organisational PMS
21	National Indicators										
	% Black people (Black, Coloured, Indian) employed in 3 highest level of management	Quarterly		60.00%	56.25%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 - Head of Projects is Black Q3 - MM & Head Roads resigned Q4 –	Q1- Q2 - Q3 - Q4 – Preference will be given to black people when vacancies occur at management level.
	% Women employed in 3 highest level of management	Quarterly		50.00%	18.75%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 – Q3 - MM resigned Q4 –	Q1- Q2 - Q3 - Q4 - Preference will be given to women when vacancies occur at management level.
	% People with Disabilities employed in 3 highest level of management	Quarterly		10.00%	6.25%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 – Q3 - Q4 -	Q1- Q2 - Q3 - Q4 - Preference will be given to disabled people when vacancies occur at management level.
	% of budget really spend on implementation of Skills Development Plan	Quarterly		100.00%	56.67%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 - Q3 - Q4 - Training was delayed	Q1- Q2 - Q3 - Q4 - Better implementation plan for next financial year

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	% employees in top management level that received training according the Skills Development Plan	Quarterly		100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1 - Q2 - Q3 - Q4 - Training was delayed	Q1 - Q2 - Q3 - Q4 - Better implementation plan for next financial year
	% employees in senior management level that received training according the Skills Development Plan	Quarterly		100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -
	% employees in professionally qualified and experienced specialists and mid-management level that received training according the Skills Development Plan	Quarterly		100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1 - Q2 - Q3 - Q4 - Training was delayed	Q1 - Q2 - Q3 - Q4 - Better implementation plan for next financial year
	% employees in skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents level that received training according the Skills Development Plan	Quarterly		100.00%	90.00%	0.00%	0.00%	0.00%	0.00%	Q1 - Q2 - Q3 - Q4 - Training was delayed	Q1 - Q2 - Q3 - Q4 - Better implementation plan for next financial year
	% employees in semi-skilled and discretionary decision making level that received training according the Skills Development Plan	Quarterly		100.00%	87.50%	0.00%	0.00%	0.00%	0.00%	Q1 - Q2 - Q3 - Q4 - Training was delayed	Q1 - Q2 - Q3 - Q4 - Better implementation plan for next financial year
	% employees in unskilled and defined decision making level that received training according the Skills Development Plan	Quarterly		100.00%	64.28%	0.00%	0.00%	0.00%	0.00%	Q1 - Q2 - Q3 - Q4 - Training was delayed	Q1 - Q2 - Q3 - Q4 - Better implementation plan for next financial year
	% Councillors that received training according the Skills Development Plan	Quarterly		100.00%	50.00%	0.00%	0.00%	0.00%	0.00%	Q1 - Q2 - Q3 - Q4 - Training was delayed	Q1 - Q2 - Q3 - Q4 - Better implementation plan for next financial year
	Number of part time job opportunities created	Quarterly	2%	0.00%	0.00%	2.00%	2.00%	2.00%	2.00%	Q1 - Q2 - Q3 - Q4 -	Q1 - Q2 - Q3 - Q4 -

TOTAL FOR THE VOTE SELECTED - %	100%
CONVERTED TO 100% FOR THE VOTE	100.00%

Performance for September 2009	81.12%	81.12%
Performance for December 2009	87.43%	87.43%
Performance for March 2010	89.67%	89.67%
Performance for June 2010	85.04%	85.04%
Average Performance for the Year	85.81%	85.81%

FINANCE AND ADMINISTRATION

Finance

No	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
1	Budget control - Expenditure	Quarterly	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
2	Budget Control - Income		2%	100.00%	100.00%	2.00%	0.00%	2.00%	2.00%	Q1- Q2 - The equitable shares has been withheld and no transfers were made to the municipality during this quarter. Q3 - The equitable shares was transfer to the municipality. Q4 -	Q1- Q2 - Q3 - Q4 -
3	Financial Statements by 31 August and submitted to the Auditor-General										
	Draw up of financial statements	August	15%	100.00%	100.00%	0.00%	15.00%	15.00%	15.00%	Q1- Q2 - Completed. Q3 - Completed. Q4 -	Q1- Q2 - Q3 - Q4 -
	Publication of financial statements	Within 5 days after Council approval	2%	100.00%	100.00%	0.00%	2.00%	2.00%	2.00%	Q1- Awaiting final adjustments required by the AG. Q2 - Completed Q3 - Completed. Q4 -	Q1-Should be finalised by end of Nov 2009. Q2 - Q3 - Q4 -
4	Budget Timeframe by 31 August										
	Draw up of Budget Timeframe	August	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Publication of Budget Timeframe	Within 5 days after Council approval	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
5	Budget Process										
	Draft budget by 31 March	March	25%	100.00%	100.00%	25.00%	25.00%	25.00%	25.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Publication of draft budget for inputs and comments	May	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Approval of final budget by Council before 31 May	May	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -

	Submission of budget to NT, PT & other stakeholders	June	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
6	Compile and submit a report on supply chain activities to Council.	Quarterly	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
7	Monthly and quarterly reporting in terms of MFMA, DORA, PT, NT, Mayor, Council and other legislative requirements	Monthly/Quarterly	15%	100.00%	100.00%	15.00%	15.00%	15.00%	15.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
8	Conduct departmental meetings at least 4 times a year.	Quarterly	1%	100.00%	0.00%	0.00%	0.00%	1.00%	0.00%	Q1- Q2 - Q3 - Q4 - Absence of CFO	Q1- Q2 - Q3 - Q4 - Will be attended to.
9	Capturing of budget and actual figures - SDBIP	Monthly	3%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Absence of CFO. Q2 - Absence of CFO Q3 - Absence of CFO Q4 - Absence of CFO	Q1- Will be attended to. Q2 - Will be attended to. Q3 - Will be attended to. Q4 - Will be attended to.
10	National Financial Indicators										
	To ensure that NDM is in a position to pay its debt	Annually	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	To reduce the debt of debtors	Annually	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	To ensure sufficient cashflow	Annually	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -

TOTAL FOR THE VOTE SELECTED - %	100%
CONVERTED TO 100% FOR THE VOTE	100.00%

ACTUAL SCORE FOR THE VOTE

Performance for September 2009	79.00%	79.00%
Performance for December 2009	94.00%	94.00%
Performance for March 2010	97.00%	97.00%
Performance for June 2010	96.00%	96.00%
Average Performance for the Year	91.50%	91.50%

COMMUNITY AND SOCIAL SERVICES

Community Services

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
1	Prevent spread of diseases through education of 100% of identified cases by June 2010.										
	Support community health workers	30-Jun-10	4%	100.00%	100.00%	4.00%	4.00%	4.00%	4.00%	Q1- All community health workers visited with each visit to communities. Education to community CHW's/coordination of all actions. Q2 - Education to and coordination with community health care workers Q3 - Education to and coordination with community health care workers Q4 - Same as above.	Q1- Q2 - Q3 - Q4 -
	Educate communities	30-Jun-10	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1- 115 actions; 458 people reached Q2 - 47 actions; 415 people reached Q3 - 45 actions; 253 people reached Q4 - 84 actions; 4519 people reached (i) during measles campaign at schools (ii) door to door visits at TB patients	Q1- Q2 - Q3 - Q4 -
	Monitor/ follow up and education to patients	30-Jun-10	4%	100.00%	100.00%	4.00%	4.00%	4.00%	4.00%	Q1- All reported cases are visited. Education and support provided to these patients. Q2 - All reported cases visited. Education and support to these households and families Q3 - All reported cases visited. Education and support to these households and families Q4 - Educate the households in H+H, sanitation and feeding	Q1- Q2 - Q3 - Q4 -
	Report to EPR team	30-Jun-10	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- On a quarterly basis about problems experienced. Q2 - On a quarterly basis about shortcomings findings Q3 - On a quarterly basis about shortcomings findings Q4 - Same as above. Reporting about MDR & XDR TB patients	Q1- Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
2	100 % out of 350 formal food vendors, school feeding schemes, accomodation establishments and households to comply with minimum health standards by June 2010.										
	Implement Health and Hygiene plan as approved by Council and NCDOH.	30-Jun-10	6%	100.00%	100.00%	6.00%	6.00%	6.00%	6.00%	Q1- Approved by council and implementation is taking place. 123 actions; 2151 people reached. Education in communities, schools and crèches provincial projects such as National hand washing programme. Q2 - Continuous implementation in all communities. 277 action and 1534 people reached Q3 - Continuous Implementation. Q4 - Education to community members in healthy feeding.	Q1- Q2 - Q3 - Q4 -
	Evaluate outcomes	30-Jun-10	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Food premises, school feeding schemes, accomodation establishments are visited on a routine basis. Q2 -49 actions with 232 people reached Q3 - 49 actions with 251 people reached Q4 - 95 actions with 560 people reached.	Q1- Q2 - Q3 - Q4 -
	Report back to all stakeholders	30-Jun-10	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Report on a monthly basis to relevant municipalities/Quarterly to National and Provincial departments of Health, DWA as well as Local Health forum. Q2 -Report on a monthly and quarterly reports Q3 - Report on a monthly and quarterly reports Q4 - Same as above plus to NDM and B-Municipalities.	Q1- Q2 - Q3 - Q4 -
3	Increasing the quality of water to communities by 100%										
	Assist municipalities with water management programs and early warning systems.	Quarterly	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1- Early warning system plan for the District finished. Blue drop certification in process. Q2 -Early warning system implemented in DMA and educated in B municipalities 102 actions with 291 people reached Q3 - Complete education in water. O & M to B-Municipalities. Q4 - Completed	Q1- Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Education and training to WSA's and communities in the uses of safe water.	Quarterly	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1- Part of the health and hygiene programme. Q2- Part of the health and hygiene programme.79 actions; 596 people reached Q3 - 70 actions and 615 people reached. Q4 - 115 actions and 296 people reached.	Q1- Q2 - Q3 - Q4 -
	Monitoring of drinking water quality by sampling according to legislation.	Quarterly	4%	100.00%	100.00%	4.00%	4.00%	4.00%	4.00%	Q1- 66 bacteriological and chemical samples taken. Monthly report to municipalities. Q2 - 79 bacteriological and chemical samples taken according to SANS24. Monthly report/recommendations/corrective actions to municipalities. Q3 - 79 bacteriological and chemical samples. Follow-up our failures 3 X Kamiesberg. Q4 - 79 bacteriological and chemical samples.	Q1- Q2 - Q3 - Q4 -
	Reporting to DWAF and attending water quality management meetings on a quarterly basis.	Quarterly	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1 -Continuously appliance as well as operational monitoring. Q2 -WQTT meeting attended at DWA, quarterly report on municipalities Q3 - Same as above. Q4 - Sent monthly monitoring reports to DWA and municipalities	Q1- Q2 - Q3 - Q4 -
4	To ensure good health and quality way of living for all the inhabitants of Namakwa.										
	Education programs to communities, schools, etc.	Quarterly	6%	100.00%	100.00%	6.00%	6.00%	6.00%	6.00%	Q1- Continuously: Health & Hygiene programmes on safe sanitation, safe food, safe water and communicable diseases. Q2 - Implement above-mentioned: 79 actions and 596 people reached. Q3 - 75 actions and 779 people reached. Q4 - 90 actions and 6193 people reached. Special school programs were conducted.	Q1- Q2 - Q3 - Q4 -
	Reporting to Council, District Health forum. Municipalities, Provincial and National Department of Health	Quarterly	4%	100.00%	100.00%	4.00%	4.00%	4.00%	4.00%	Q1- On a quarterly basis. Q2 - On a quarterly basis. Q3 - On a quarterly basis. Q4 - On a quarterly basis	Q1- Q2 - Q3 - Q4 -
5	Awareness campaign on possible disasters risks: To implement 5 programmes before December 2009 and 15 programmes before June 2010.										

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Request quotations for printing	30-Sep-09	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Complete Q2 - Complete Q3 - Complete Q4 - Complete	Q1- Complete Q2 - Complete Q3 - Complete Q4 - Complete
	Approval by Tender Committee	30-Sep-09	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Complete Q2 – Complete Q3 - Complete Q4 - Complete	Q1- Received part of material from Province .Q2 – Complete Q3 - Complete Q4 - Complete
	Identify schools and communities	30-Jun-10	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1- Identified schools in different municipalities. Q2 - Completed Q3 - Completed Q4 - Completed	Q1- Q2 - Q3 - Q4 -
	Implement awareness campaigns	30-Jun-10	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1- Reached 7 schools/2352 learners and educators. Q2 -Reached two schools and 187 learners and educators Q3 - Reached 4 schools and 826 learners 7 educators Q4 - Reached 1 school with 14 learners and 2 educators.	Q1- Q2 - Q3 - Q4 -
	Reporting to Council.	Quarterly	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- On a quarterly basis as well as to Province Q2 -On a quarterly basis Q3 - On a quarterly basis Q4 - On a quarterly basis	Q1- Q2 - Q3 - Q4 -
6	To implement a disaster management plan as prescribed by act by June 2010										
	Prepare scope of reference	31-Jul-09	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Completed. Q2 - Completed. Q3 - Completed. Q4 - Completed	Q1- Q2 - Q3 - Q4 -
	Apply for funding	31-Jul-09	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Completed. Already received half of allocation funds on 21 September 2009. Q2 -No additional funds received from province yet Q3 - All funds received. Q4 - All funds received.	Q1- Q2 - Q3 - Q4 -
	Advertise scope of reference for tenders in the media.	30-Sep-09	2%	100.00%	100.00%	0.00%	2.00%	2.00%	2.00%	Q1- Outstanding due to date receipt of funds. Q2 -Completed Q3 - Completed Q4 - Completed	Q1- Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Tenders to Tender Committee	30-Sep-09	1%	100.00%	100.00%	0.00%	1.00%	1.00%	1.00%	Q1- Outstanding. Q2 -Tenders evaluated by tender committee Q3 - Tenders evaluated by tender committee Q4 - Completed	Q1- Q2 - Q3 - Q4 -
	Service Provider to be appointed	30-Sep-09	1%	100.00%	100.00%	0.00%	0.00%	1.00%	1.00%	Q1- Q2 -Service provider not appointed yet Q3 - Service provider appointed. Q4 - Completed	Q1- Q2 - Q3 - Q4 -
	Meetings monthly with Service Provider and Municipalities	Continuous	1%	100.00%	100.00%	1.00%	0.00%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 - Service Provider visited all B-Municipalities to gather information.	Q1- Q2 - Q3 - Q4 -
	Reporting to Council.	Quarterly	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 -On a quarterly basis Q3 - On a quarterly basis Q4 - On a quarterly basis	Q1- Q2 - Q3 - Q4 -
7	Budget Control - Income	Continuous	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Comply to Q2 -Comply to Q3 - Comply to Q4 - Comply to	Q1- Q2 - Q3 - Q4 -
8	Budget Control - Expenditure	Continuous	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Comply to Q2 -Comply to Q3 - Comply to Q4 - Comply to	Q1- Q2 - Q3 - Q4 -
9	Conduct departmental meetings at least 4 times a year.	Quarterly	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Comply to Q2 -Comply to Q3 - Comply to Q4 - Comply to	Q1- Q2 - Q3 - Q4 -
10	Procurement of firefighting equipment before September 2009 and training and awareness programmes before June 2010.										
	Identify needs in communities	31-Jul-09	2%	0.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Completed. Q2 - Completed. Q3 - Completed. Q4 - Completed.	Q1- Q2 - Q3 - Q4 -
	Compilation of business plan	30-Sep-09	2%	0.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Completed. Q2 - Completed. Q3 - Completed. Q4 - Completed.	Q1- Q2 - Q3 - Q4 -
	Submission to provincial disaster management.	30-Sep-09	1%	0.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Completed. Q2 - Completed. Q3 - Completed. Q4 - Completed.	Q1- Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Completion of tender procedures	31-Oct-09	1%	0.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1-Responsibility of local municipalities. Q2 - Responsibility of local municipalities. Q3 - Responsibility of local municipalities. Q4 - Responsibility of local municipalities.	Q1- Q2 - Q3 - Q4 -
	Purchasing of equipment	31-Dec-09	1%	0.00%	66.66%	1.00%	0.50%	1.00%	1.00%	Q1- Q2 - Only half of grant received. Municipalities prefer to wait for other half before processing. Three skid units obtain for commercial farmers. Q3 - All funds received. Notice to B-Municipalities to purchase. Q4 - Karoo-Hoogland purchase their equipment and Kamiesberg ordered theirs. The other municipalities orders outstanding.	Q1- Q2 - Q3 - Q4 -
	Training of personnel	28-Feb-10	1%	0.00%	100.00%	1.00%	1.00%	0.50%	1.00%	Q1- Q2 - Training was done at Karoo-Hoogland. Q3 - Training was done at Hantam schools: Brandvlei & Nieuwoudville. Q4 - 48 people trained in fire fighting, 13 in first aid and 38 in a road accident simulation	Q1- Q2 - Q3 - Q4 -
	Awareness programmes in communities.	Continuous	2%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Outstanding. Equipment not purchased yet. Q2 - Outstanding: Equipment not purchased yet. Q3 - Outstanding Q4 - Outstanding	Q1- Q2 - Q3 - Q4 – Awareness programmes will be rollover to the next financial year.
11	Establish and upgrade of radio communication network through 45 radios in B-municipalities before June 2010.										
	Evaluate existing equipment	31-Aug-09	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1- Completed. Q2 - Completed Q3 - Completed Q4 -	Q1- Q2 - Q3 - Q4 -
	Tenders/quotations	31-Oct-09	1%	100.00%	100.00%	1.00%	0.00%	0.00%	1.00%	Q1- Outstanding due to late receipt of funds. Q2 - Outstanding due to late receipt of funds. Q3 - All funds received. Go out on tender. Q4 - Completed.	Q1- Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Establishment/Upgrade/Training	31-Jan-10	4%	100.00%	50.00%	4.00%	4.00%	0.00%	2.00%	Q1- Q2 - Outstanding due to availability of funds. Q3 - Outstanding Q4 - Radios purchased. Busy with installation.	Q1- Q2 - Q3 - Q4 – After fully installed training will be provided.
	Testing of network	31-Jan-10	1%	0.00%	0.00%	1.00%	1.00%	0.00%	1.00%	Q1- Q2 - Outstanding due to availability of funds. Q3 - Outstanding Q4 - Outstanding	Q1- Q2 - Q3 - Q4 -
	Reporting	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - On a quarterly basis. Q3 - On a quarterly basis. Q4 - On a quarterly basis	Q1- Q2 - Q3 - Q4 -
12	Budget Control - Income	Continuous	2%	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	Q1- Comply to. Q2 - Compy to. Q3 - Compy to. Q4 - Compy to.	Q1- Q2 - Q3 - Q4 -
13	Budget Control - Expenditure	Continuous	2%	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	Q1- Comply to. Q2 - Comply to. Q3 - Compy to. Q4 - Compy to.	Q1- Q2 - Q3 - Q4 -
14	Conduct departmental meetings at least 4 times a year.	Quarterly	1%	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	Q1- Comply to. Q2 - Comply to. Q3 - Compy to. Q4 - Compy to.	Q1- Q2 - Q3 - Q4 -

TOTAL FOR THE VOTE SELECTED - %	100%
CONVERTED TO 100% FOR THE VOTE	100.00%

ACTUAL SCORE FOR THE VOTE

Performance for September 2009	89.00%	89.00%
Performance for December 2009	89.50%	89.50%
Performance for March 2010	86.50%	86.50%
Performance for June 2010	91.00%	91.00%
Average Performance for the Year	89.00%	89.00%

PLANNING AND DEVELOPMENT

Economic Development

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
1	To ensure overall Economic Development to fulfill the KPA3 Performance Indicators of the NDM to such an extent to score maximum points for the Vuna Awards, through attending 4 Provincial LED Forum meetings in the following areas: LED Strategy, external economic experts, number of formal business establish, employment opportunities created through EPWP, establishment of PPP, employment opportunities through PPP, Leverage of investment from PPP, Preferential procurement policy, Smme Support programme(Namda, Seda etc.), LED stakeholders forum, Procurement and Smme's, Nodal investment Atlas, awareness of Competitive advantage, Second Economy, Led Budget	30-Jun-10	6%	100.00%	100.00%	6.00%	6.00%	6.00%	6.00%	Q1- 23 September Provincial LED Forum meeting attended, where NDM present on LED Progress for District Q2 - 3 December 2009, Provincial/District/local LED Forum meeting attended. Invites, minutes and presentations available. Q3 - Provincial meeting on 31.03.2010. Invites, minutes and presentations available. Q4 -	Q1- Q2 - Q3 - Q4 -
2	Economic Development Thrust with Clusters Energy Cluster: To ensure participation of the NDM in the development of a synergy between wind, natural gas, solar, wave and bio-mass energy so that the energy sector can become the competitive and comparative advantage of the Namakwa region through arranging quarterly meetings in this regard.	30-Jun-10	6%	100.00%	100.00%	6.00%	6.00%	6.00%	6.00%	Q1- 2 September 2009 renewable energy task team meeting was held in Springbok regarding wind, solar and biomass. Phytos, Just Energy, Capitec and Kaiser Associates visited NDM. First step is to develop a renewable energy strategy for the NDM. Q2 - District Energy meeting held. Minutes available Q3 - District LED Forum meeting on 5.03.2010. Invites, minutes and presentation available. Solar energy with Solek was held. Q4 -	Q1- Draft to be completed by March 2010. Q2 - Q3 - Q4 -
3	Mining and Mineral Processing Clusters To ensure participation of the NDM in the establishment of a one stop mining centre, setting up a satellite cutting and polishing facility for semi- precious stones, to develop social and labor plans in partnership with Mines and DME, establishment of a feldspar/mica milling facility and the establishment of copper beneficiation plant through attending quarterly Social and Labor plan meetings with DMR.	30-Jun-10	6%	100.00%	100.00%	6.00%	6.00%	6.00%	6.00%	Q1- Obtain S&L Plan of De Beers, planning and preparation for De Beers mine closure task team and S&L Plan meeting for October 2009 Q2 - Meeting attended in Kleinsee. Minutes available. Q3 - Small miners meeting were called to discuss support (minutes available) and give assistance to satellite diamond cutting training to Akanani. Q4 -	Q1- By Des 2009 Business Plan for one stop mining to be completed. Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
4	ICTCluster: To ensure participation of the NDM in the establishment and maintenance of a central database to connect B-municipalities with NDM for procurement purposes in partnership with a local business and the CSIR on a monthly basis through reporting by Service provider and the promotion of Namakwa as preferred location for SKA radio telescopes as and when required.	30-Jun-10	4%	100.00%	100.00%	4.00%	4.00%	4.00%	4.00%	Q1- Received monthly reporting form SP and progress report from KAT Provincial Working group planned for October 2009Q2 - Received monthly reporting form SP and became aware of obstacles that can affect communication. Will be addressed on 25 .02.2010. Provincial task team.Q3 - Received monthly reporting from SP. 5 January 2010 had meeting with CSIR on additional services to ND<Q4 -	Q1- Q2 - Q3 - Q4 -
5	SMME Cluster : To ensure participation of the NDM in the promotion of SMME development so that the informal businesses become part of the mainstream economy in partnership with NAMDA and Seda through quarterly meetings and reporting to the LED Forum ; to bridge the gap between 2nd and 1st economies by funding women, youth and rural businesses up to the amount of R500 000 within the NDM area before June 2010.	30-Jun-10	6%	100.00%	100.00%	6.00%	6.00%	6.00%	6.00%	Q1- Although no attendance from Seda and Namda was recorded at last LED Forum meeting personal engagement took place and Samaf possible solution was discussed; a SMME strategy was identified as the first step in executing the part. Q2 - 18 November 2010 District LED Forum.Invites , minutes and presentation available. Q3 - 5.03.2010 District LED forum. No Funds earmark for Smme development yet. Smme strategy not in place. Q4 -	Q1- March 2010 Draft Smme strategy must be in place Q2 - Q3 - Q4 -
6	Transport Cluster: To ensure participation of the NDM in the promotion and viability of the transport sector of the NDM with emphasis on harbor and railway developments within the Namakwa area by attending meetings as and when required.	30-Jun-10	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- No information available. Q2 - Investment meetings attended regarding transport in Namakwa, during Nov 2009. Q3 - No progress made. Q4 -	Q1- Q2 - Q3 - Q4 -
7	Agriculture and Agri- Processing Cluster: - DOA to report to the LED Forum about participation of Namakwa farmers in the commercial goat farming project, Rooibos tee factory, Landcare, vegetable gardens and CASP; to develop the community in Swartzkop to earn money from the agricultural sector and the development of the Mari-cultural Park in PN and Hondekliptbay.	30-Jun-10	5%	100.00%	75.00%	5.00%	5.00%	5.00%	3.75%	Q1- Department of Agriculture report attached, Swartzkop CC still to be finalised. Received CASP support of R580,000. Life stock increased from 300 to 590 and was able to sell 400 stock for income of families. 2 Ram donated to them from Carnavon community. Donated 10 sheep to community upliftment (Church). Turn around strategy for mari cultural park needed Q2 - District Forum took place on 18 November 2010. Minutes available. Q3 - 5 03.2010 District LED Forum meeting. Minutes available. Q4 - Meeting was not held.	Q1- Turnaround Strategy by province end of Nov 09 Q2 - Q3 - Q4 – Follow-up with relevant stakeholders.

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
8	Manufacturing Cluster: To ensure participation of the NDM in the development of the manufacturing sector with emphasis on building a secondary industry on the Working for Water project.; Business planning, Funding, implementation and M&E	30-Jun-10	1%	100%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Business plan completed and submitted for funding Q2 - Several meetings took place with Dwaf. Q3 - We have positive feedback on funding . Formal processes to be completed. Q4 -	Q1- Q2 - Q3 - Q4 -
9	Institutional Capacity Building Cluster: To ensure participation of the NDM in the implementation of the 1st phase of the ASGISA by capacitated NGO's and CBO's in partnership with ELGIN College, the ABET skills training, Capacity building of LED Officials in biodiversity, LED Learnerships .	30-Jun-10	5%	100.00%	75.00%	5.00%	5.00%	5.00%	3.75%	Q1- Projects 1 and 2 was postponed until Jan 2010, Biodiversity training was done on 28 September-1 October 2009 in Calvinia. No information from National Youth Centre on CEDOP Q2 - LED meeting in Joburg- November 2010 regarding capacity building. Q3 - Mou was discussed with Desto and CSIR. Follow up meeting scheduled. Q4 - Learnerships not conducted.	Q1- Q2 - Q3 - Q4 -
10	Other: To bring the Con. Fed. Cup and FIFA Soccer 2010 to six towns in the Namakwa area through public and community viewing with R1 million NDM contribution.	30-Jun-10	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1- DTEC leading agent and we supply them with pre planning. Q2 - Progress Report to IDP Rep Forum during Nov 2009 Q3 - Planning meetings as well as progress meetings took place Q4 -	Q1- Q2 - Q3 - Q4 -
11	Environment and Tourism Thrust: To ensure participation of the NDM in the implementation of the identified poverty relief projects for the Social Responsibility programme of DEAT through quarterly reporting	30-Jun-10	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1- Report available Q2 - Report available Q3 - Report available Q4 -	Q1- Q2 - Q3 - Q4 -
12	To eradicate prosopis to protect the underground water resources and to eradicate poverty in Hantam Municipality according EPWP principles to the amount of R 6.2 million.	30-Jun-10	28%	100.00%	100.00%	28.00%	28.00%	28.00%	28.00%	Q1- Report included in the narrative Q2 - Report available Q3 - Report available Q4 -	Q1- Q2 - Q3 - Q4 -
13	To ensure participation of the NDM in the development of the coastal area between Spoeg- and Groenriver in partnership between SANPARKS and De Beers to create a National Park and to regulate access to the coastline between Groenriver and Brakriver	30-Jun-10	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Coastal Park proclaimed but launching outstanding. Project absorbed by bio diversity training as anker project and need to be finalised by participants in order to obtain Skeppes Funds. Q2 - Training session in Calvinia 28-09-009 to 01-10-2009 Q3 - Training session in Kamiesberg. Final training to be concluded. Q4 -	Q1- Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
14	To ensure participation of the NDM in the greening of the Namakwa area with indigenous plants in Partnership with SANBI	30-Jun-10	1%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- No progress due to lack of funding Q2 - Potential Client identified Q3 - No progress. Q4 - No progress due to lack of funding	Q1- re submit to DTEC and SANBI Q2 – Q3 – Q4 – Source of funding.
15	To ensure participation of the NDM in the use of the green, natural and renewable resources as a tool for economic and social development in partnership with CI through the Skeppies programme.	30-Jun-10	3%	100.00%	75.00%	3.00%	3.00%	3.00%	2.25%	Q1- Report attached Q2 - Report available Q3 - Report available. Contribute in evaluation processes. Q4 - Report not received.	Q1- Q2 - Q3 - Q4 – Follow-up with CI regarding progress report.
16	To ensure participation of the NDM in the sustainability study of a Tourism Hub along the N7 to promote and market our region for tourism purposes in partnership with Namda.	30-Jun-10	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Postponed due to land claim. Proposal resubmit to DEAT Q2 - No feedback from DEAT and NDM withdrawn from NAMDA Q3 - No feedback from DEAT and NDM withdrawn from NAMDA Q4 -	Q1- Follow up Q2 - Establish new municipal entity Q3 - Q4 -
17	To develop/upgrade and marketing of tourism attraction sites in the Namakwa District to the amount of R700,000.	30-Jun-10	5%	100.00%	100.00%	5.00%	5.00%	5.00%	5.00%	Q1- Tourism quarterly report Q2 - Tourism quarterly report Q3 - Tourism quarterly report. Q4 -	Q1- Q2 - Q3 - Q4 -
18	To ensure the NDM participation in the completion of a feasibility study for the construction of a dam along the Lower Orange River through attending meetings as and when required.	30-Jun-10	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- No information available Q2 - No information available Q3 - No information available Q4 - No information available	Q1- Q2 - Q3 - Q4 -
19	To market the Namakwa region through a documentary program which will be broadcast on National TV and acquiring of future marketing material.	30-Jun-10	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Completed Q2 - Completed Q3 - Completed Q4 - Completed	Q1- Q2 - Q3 - Q4 -
20	To promote tourism through the creation of a clean, friendly and safe environment: Cleanest Town Competition	30-Jun-10	1%	100%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- No progress due to lack of funds Q2 - No progress due to lack of funds Q3 - No progress due to lack of funds Q4 - No progress due to lack of funds	Q1- Q2 - Q3 - Planned an internal cleaning campaign with own surplus funds. Q4 – Source funding

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
21	To ensure participation of the NDM in the development of the area between The Richtersveld National Park and the Ais Ais National Parks as a Tran frontier park and strengtened the twinning agreement between NC and Karas region through attending workshops and meetings as and when required	30-Jun-10	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- No progress Q2 - No progress. Also discuss on IGR forum Q3 - No progress was made. Q4 - No progress was made.	Q1- Meeting call by DG to restart process Q2 - Through IGR forum Q3 - Q4 -
22	To ensure the participation of the NDM in the establishment and branding of the route between CT and Namibia, the development of road signage policies and regulations for Namakwa Region through attending workshops and meetings as and when required,	30-Jun-10	1%	100.00%	0.00%	1.00%	1.00%	1.00%	0.00%	Q1- No Progress and information available Q2 - Information meeting was scheduled for next quarter Q3 - Road signage workshop was held in Springbok. Minutes available. Q4 - No progress	Q1- Meeting in Nov to restart Cape to Namibia route development Q2 - Q3 - Q4 -
23	To ensure the NDM participation in the development of a sustainable regional green economic hub in post mining areas in partnership with CI and De Beers through attending workshops and meetings as and when required.	30-Jun-10	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Will be part of mine closure Plan Q2 - No formal meeting was called in period. Investment seeked on a on-going basis. Q3 - No formal meeting was called. Jo'burg investors are interested. Tripped will be planned to Kleinzee. (First Capital) Q4 -	Q1- Q2 – Q3 – Q4 -
24	Conduct departmental meetings at least 4 times a year, Budget Control - Income and Budget Control - expenses.	Quarterly	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1- Budget under control, minutes available of departmental meetings. Q2 - Budget under control, minutes available of departmental meetings. Q3 - Budget under control, minutes available of departmental meetings. Q4 -	Q1- Q2 - Q3 - Q4 -

TOTAL FOR THE VOTE SELECTED - %	100%
CONVERTED TO 100% FOR THE VOTE	100.00%

ACTUAL SCORE FOR THE VOTE

Performance for September 2009	98.00%	98.00%
Performance for December 2009	98.00%	98.00%
Performance for March 2010	98.00%	98.00%
Performance for June 2010	93.75%	93.75%
Average Performance for the Year	96.94%	96.94%

PLANNING AND DEVELOPMENT

Projects

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
1	Rectification of 33 houses before June 2010										
	Construction	30-Jun-09	3%	100.00%	95.00%	0.00%	0.00%	0.40%	2.85%	Q1- Q2 -Tender process completed Q3 - Construction in Progress Q4 – Happy letters outstanding	Q1- Q2 - None Q3 - None Q4 – Follow-up with Kamiesberg.
	Monitoring	30-Jun-09	1%	100.00%	100.00%	1.00%	0.20%	0.13%	1.00%	Q1- Q2 - Contractor still needs to be appointed. Q3 - Partly completed Q4 - Delivery of seals for pipes delay the process	Q1- Q2 - Q3 - None Q4 -
	Reporting	30-Jun-09	1%	100.00%	100.00%	1.00%	0.20%	0.13%	1.00%	Q1- Q2 - Q3 - Partly completed Q4 -	Q1- Q2 - Q3 - None Q4 -
	Transfer of properties	30-Jun-09	1%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 -Contractor still needs to be appointed. Q3 – Houses not yet completed. Q4 – Happy letters still outstanding resulting in no transfer of properties take place.	Q1- Q2 - Q3 - None Q4 – Follow-up with Kamiesberg
2	The rectification of 25 + 7 houses in Hondeklipbay before October 2009.										
	Construction	31-Oct-09	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1- Q2 - Project Completed Q3 - Project Completed Q4 -	Q1- Q2 - None Q3 - None Q4 -
	Monitoring	31-Oct-09	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Q2 - Construction Completed Q3 - Construction Completed Q4 -	Q1- Q2 -None Q3 - None Q4 -
	Reporting	31-Oct-09	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Q2 -Reporting Completed Q3 -Reporting Completed Q4 -	Q1- Q2 - None Q3 - None Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Transfer of properties	31-Oct-09	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Q2 - Completed Q3 - Completed Q4 -	Q1- Q2 - None Q3 - None Q4 -
3	Construction of new sport facilities at Port Nolloth according to approved business plan before December 2009										
	Construction	31-Dec-09	3%	0.00%	98.00%	1.50%	2.55%	3.00%	3.00%	Q1- Q2 - Q3 - Construction in progress Q4 -	Q1- Q2 - Q3 - Follow up with Municipality Q4 -
	Monitoring	31-Dec-09	2%	0.00%	98.00%	2.00%	1.70%	2.00%	2.00%	Q1- Q2 - Q3 - Partly completed Q4 -	Q1- Q2 - Q3 - Follow up with Municipality Q4 -
	Reporting/Handover	31-Dec-09	1%	0.00%	98.00%	1.00%	0.85%	1.00%	1.00%	Q1- Q2 - Q3 - Partly completed Q4 -	Q1- Q2 - Q3 - Follow up with the Municipality Q4 -
4	Erection and completion of Zwartskop sport facilities according to approved specifications by June 2010.										
	Land identification/Town Planning	30-Jun-09	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1- Q2 - Q3 -Land have been identified Q4 - Completed	Q1- Q2 - Q3 - Q4 -
	Establishment of Project Steering Committee	30-Jun-09	0.5%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 - Q3 -Have been established with the community Q4 - Have been established with the community	Q1- Q2 - Q3 - Completed Q4 - NDM (Planning) busy with negotiations to by stands from owners
	Appointment of Consulting Engineer	30-Jun-09	1.5%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 - Q3 - Human Settlements busy with expropriation Q4 - Human Settlements busy with expropriation	Q1- Q2 - Q3 - Follow up Q4 - NDM (Planning) busy with negotiations to by stands from owners
	Environmental Impact Assessment	30-Jun-09	1.5%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 - Q3 -Exempted from EIA Q4 - Exempted from EIA	Q1- Q2 - Q3 - None Q4 - NDM (Planning) busy with negotiations to by stands from owners
	Procurement	30-Jun-09	0.5%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 - Q3 -Human Settlements busy with expropriation Q4 - Human Settlements busy with expropriation	Q1- Q2 - Q3 - Follow up Q4 - NDM (Planning) busy with negotiations to by stands from owners

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Construction	30-Jun-09	0.5%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 - Q3 -Human Settlements busy with expropriation Q4 - Human Settlements busy with expropriation	Q1- Q2 - Q3 - Follow up with the Town planning sector Q4 - NDM (Planning) busy with negotiations to by stands from owners
	Monitoring	30-Jun-09	0.5%	100.00%	100.00%	0.00%	0.00%	0.00%	0.50%	Q1- Q2 - Q3 - Dependant on finalising of expropriation and Town Planning Q4 -	Q1- Q2 - Q3 -Follow up Q4 - NDM (Planning) busy with negotiations to by stands from owners
	Reporting	30-Jun-09	0.5%	100.00%	100.00%	0.00%	0.00%	0.00%	0.50%	Q1- Q2 - Q3 - Report to council and National Lotto Q4 - Report to council and National Lotto	Q1- Q2 - Q3 - Q4 - NDM (Planning) busy with negotiations to by stands from owners
	Procurement	30-Jun-09	0.5%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 - Q3 -Human Settlements busy with expropriation Q4 - Human Settlements busy with expropriation	Q1- Q2 - Q3 - Q4 - NDM (Planning) busy with negotiations to by stands from owners
5	Completion of sportgrounds at Okiep by December 2009 (phase 2) according to the approved business plan.										
	Different foundations/Earth works	31-Dec-09	4%	0.00%	0.00%	4.00%	4.00%	4.00%	4.00%	Q1- Completed Q2 - Q3 - Completed Q4 - Advertised for consultant services	Q1- Q2 - Q3 - Completed Q4 - Nama Khoi implement the projects
	Construction of fence	31-Dec-09	2%	0.00%	0.00%	2.00%	1.00%	2.00%	2.00%	Q1- Partly completed contractor could not continue with the second fencing due to escalation in prices Q2 - Q3 - Nama Khoi to appoint Consultant Q4 - Advertised for consultant services	Q1- Have to advertise the fencing again. Q2 - Q3 - Follow up Q4 - Nama Khoi implement the projects
	Start building construction	31-Dec-09	2%	0.00%	0.00%	0.00%	0.00%	2.00%	2.00%	Q1- Have not yet started due to a mis understanding between the Namakwa- DM and Nama-Khoi LM Q2 - Q3 - Nama Khoi to appoint Consultant Q4 -Advertised for consultant services	Q1- Arrange a meeting with the Local Municipality Q2 - Q3 - Follow up Q4 - Nama Khoi implement the projects
	Installation of services	31-Dec-09	0.5%	0.00%	0.00%	0.00%	0.00%	0.50%	0.50%	Q1- Q2 - Q3 - Nama Khoi to appoint Consultant Q4 - Advertised for consultant services	Q1- Q2 - Q3 - Follow up Q4 - Nama Khoi implement the projects

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Layout of braai & parking areas	31-Dec-09	0.5%	0.00%	0.00%	0.00%	0.00%	0.50%	0.50%	Q1- Q2 - Q3 - Nama Khoi to appoint Consultant Q4 - Advertised for consultant services	Q1- Q2 - Q3 - Follow up Q4 - Nama Khoi implement the projects
	Monitoring	31-Dec-09	0.5%	0.00%	100.00%	0.50%	0.50%	0.50%	0.50%	Q1- Q2 - Q3 - Nama Khoi to appoint Consultant Q4 - Advertised for consultant services	Q1- Q2 - Q3 - Follow up Q4 - Nama Khoi implement the projects
	Reporting	31-Dec-09	0.5%	0.00%	100.00%	0.50%	0.50%	0.50%	0.50%	Q1- Q2 - Q3 - Nama Khoi to appoint Consultant Q4 - Advertised for consultant services	Q1- Q2 - Q3 - Follow up Q4 - Nama Khoi implement the projects
6	Completion of the Pofadder/Onseepkans sewerage system upgrading before June 2010.										
	Appointment	30-Jun-10	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1 - Completed Q2 - Q3 - Completed Q4 -	Q1- Q2 - Q3 - None Q4 -
	Construction	30-Jun-10	3%	100.00%	100.00%	3.00%	3.00%	3.00%	3.00%	Q1- Completed Q2 - Q3 - Completed Q4 -	Q1- Q2 - Q3 - None Q4 -
	Monitoring	30-Jun-10	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Completed Q2 - Q3 - Completed Q4 -	Q1- Q2 - Q3 - None Q4 -
7	The completion of the Pofadder Bulk Water network according to the business plan before June 2010.										
	Appointment	30-Jun-10	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Q2 - Appointment of Consultant finalised Q3 - Q4 -	Q1- Q2 -Follow up Q3 - Q4 -
	Construction	30-Jun-10	3%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 Q3 - Consultant busy with finalisation of tender process Q4 -	Q1- Q2 - Q3 -Follow up Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Monitoring	30-Jun-10	2%	100.00%	100.00%	0.00%	0.00%	0.00%	2.00%	Q1 - Q2 - Q3 -Consultant busy with finalisation of tender process Q4 - the municipality is implementing the project making use of consultants	Q1- Q2 - Q3 -Follow up Q4 - assist with budget maintenance
8	Completion of the Loeriesfontein upgrading of existing oxidation dam according to Engineers specification before June 2010.										
	EIA Process	30-Jun-10	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- EIA Process completed Q2 - Q3 - EIA Process completed Q4 -	Q1- Waiting on feedback from DEAT Q2 - Q3 - Q4 -
	Design	30-Jun-10	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Completed Q2 - Q3 - Completed Q4 -	Q1- Q2 - Q3 - Q4 -
	TOR & Tender Procedure	30-Jun-10	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Q2 - Q3 -Construction in Progress Q4 -	Q1- Q2 - Q3 – Follow up approval of Budget Maintenance Q4 -
	Construction	30-Jun-10	1%	100.00%	80.00%	0.00%	0.40%	1.00%	0.80%	Q1- Q2 - Q3 - Project 80% completed Q4 - Budget maintenance still to be approved	Q1- Q2 - Q3 - Follow up approval of Budget Maintenance Q4 - Follow up approval of Budget Maintenance application
	Monitoring	30-Jun-10	3%	100.00%	100.00%	3.00%	1.20%	3.00%	3.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
	Reporting	30-Jun-10	1%	100.00%	100.00%	1.00%	0.40%	1.00%	1.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 -
9	Completion of the upgrading of Sutherland Waste Water Treatment Works before June 2010.										
	EIA Process	30-Jun-10	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Completed Q2 - Q3 - Completed Q4 -	Q1- Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	TOR & Tender Procedure	30-Jun-10	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Completed Q2 - Q3 - Completed Q4 -	Q1- Q2 - Q3 - Q4 -
	Approval	30-Jun-10	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Completed Q2 - Q3 - Completed Q4 -	Q1- Q2 - Q3 - Q4 -
	Construction	30-Jun-10	2%	100.00%	70.00%	1.20%	0.80%	1.73%	1.40%	Q1- Q2 - Q3 - Project 65% completed Q4 - RBPAC recommended budget maintenance for approval	Q1- Q2 - Q3 - Follow up approval of budget maintenance Q4 - Follow up approval of budget maintenance with MIG
	Monitoring	30-Jun-10	2%	100.00%	0.00%	2.00%	0.80%	1.73%	0.00%	Q1- Q2 - Q3 - Partly Completed Q4 -	Q1- Q2 - Q3 - Follow up approval of budget maintenance Q4 -
10	Accreditation of NDM for house delivery before June 2010.										
	Secure funding	30-Jun-10	1%	100.00%	100.00%	0.00%	0.00%	0.00%	1.00%	Q1- Q2 - Q3 - Q4 - Conditional funding from COGHSTA	Q1- Q2 - Q3 - Q4 - NDM must budget for the Unit in future
	Establishment of Unit	30-Jun-10	1%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 - Q3 - Q4 -Council to take a decision on appointment	Q1- Q2 - Q3 - Q4 -Provide info to council
	Advertisement	30-Jun-10	0.5%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 - Q3 - Q4 -Council to take a decision on appointment	Q1- Q2 - Q3 - Q4 - Provide info to council
	Sorting process	30-Jun-10	0.5%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 - Q3 - Q4 - Council to take a decision on appointment	Q1- Q2 - Q3 - Q4 - Provide info to council

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Interviews	30-Jun-10	0.5%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 – Q3 – Q4 - Council to take a decision on appointment	Q1- Q2 – Q3 – Q4 - Provide info to council
	Appoint personnel	30-Jun-10	0.5%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Q1- Q2 - Q3 - Q4 - Council to take a decision on appointment	Q1- Q2 - Q3 - Q4 - Provide info to council
11	Completion of pipeline/sea water desalination according to engineers.										
	Secure funding	30-Jun-10	2.0%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Project Registered as MIG Q2 - Q3 - Q4 -	Q1- DPLG as well as NDM (MIG Funds) to secure funds Q2 - Q3 - Q4 -
	Approve organogram	30-Jun-10	2.0%	100.00%	100.00%	0.00%	2.00%	2.00%	2.00%	Q1- Completed Q2 - Q3 - Completed Q4 -	Q1- Q2 - Q3 - Q4 -
	Evaluation of business plan	30-Jun-10	2.0%	100.00%	100.00%	0.00%	2.00%	2.00%	2.00%	Q1- Business Plan was evaluated at the RB PACK meeting Provincial Q2 - Q3 - Completed Q4 -	Q1- Q2 - Q3 - Q4 -
	Approval of business plan	30-Jun-10	2.0%	100.00%	100.00%	0.00%	2.00%	2.00%	2.00%	Q1- Business Plan is approved Q2 - Q3 - Completed Q4 -	Q1- Completed Q2 - Q3 - Q4 -
	Appointment of contractor	30-Jun-10	2.0%	100.00%	100.00%	0.00%	2.00%	2.00%	2.00%	Q1- Q2 - Contractor appointed Q3 - Contractor appointed Q4 -	Q1- Q2 - Q3 - Q4 -
	Construction	30-Jun-10	2.0%	100.00%	0.00%	0.00%	2.00%	1.73%	0.00%	Q1- Q2 - Q3 - Partly Completed Q4 -	Q1- Q2 - Q3 - Q4 -
	Monitoring	30-Jun-10	1.0%	100.00%	0.00%	0.00%	1.00%	0.87%	0.00%	Q1- Q2 - Q3 - Partly Completed Q4 -	Q1- Q2 - Q3 - Q4 -

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
	Reporting	30-Jun-10	0.5%	100.00%	0.00%	0.00%	0.50%	0.43%	0.00%	Q1- Q2 - Q3 - Partly Completed Q4 -	Q1- Q2 - Q3 - Q4 -
12	Upgrading of water and sanitation facilities at 8 schools in the Namakwa DM.										
	Compilation and approval of business plan.	30-Jun-10	0.5%	100.00%	100.00%	0.50%	0.50%	0.50%	0.50%	Q1- Business Plan completed Q2 - Q3 - Project Completed Q4 -	Q1- Q2 - Q3 - None Q4 -
	Tender and appointment of PSP	30-Jun-10	0.5%	100.00%	100.00%	0.00%	0.00%	0.50%	0.50%	Q1- Process completed Q2 - Q3 - Project Completed Q4 -	Q1- Q2 - Q3 - Q4 -
	Verification of information	30-Jun-10	0.5%	100.00%	100.00%	0.00%	0.00%	0.50%	0.50%	Q1- Completed by DWAF Provincial Q2 - Q3 - Project Completed Q4 -	Q1- Q2 - Q3 - None Q4 -
	Appointment of contractor	30-Jun-10	1.5%	100.00%	100.00%	1.50%	1.50%	1.50%	1.50%	Q1- Contractor appointed IDT Q2 - Q3 - Project Completed Q4 -	Q1- Q2 - Q3 - None Q4 -
	Construction	30-Jun-10	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Q2 - Q3 - Project Completed Q4 -	Q1- Q2 - Q3 - None Q4 -
	Maintenance	30-Jun-10	0.5%	100.00%	100.00%	0.00%	0.50%	0.50%	0.50%	Q1- Q2 - Q3 - Project Completed Q4 -	Q1- Q2 - Q3 - None Q4 -
	Project Management	30-Jun-10	0.5%	100.00%	100.00%	0.00%	0.00%	0.50%	0.50%	Q1- Q2 - Q3 - Project Completed Q4 -	Q1- Q2 - Q3 - None Q4 -
13	Budget Control-Income	Continuous	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 - The Department needs access to budget
14	Budget Control-Expenditure	Continuous	2%	100.00%	100.00%	2.00%	2.00%	2.00%	2.00%	Q1- Q2 - Q3 - Q4 -	Q1- Q2 - Q3 - Q4 - The Department needs access to budget

No.	PERFORMANCE INDICATORS – WHAT	Target date	Weight %	30-Jun-10 Target %	30-Jun-10 Actual %	30-Sept-09 Performance %	31-Dec-09 Performance %	31-Mar-10 Performance %	30-Jun-10 Performance %	Reason for performance status	Remedial action takes
15	Conduct departmental meetings at least 4 times a year.	Continuous	1%	100.00%	100.00%	1.00%	1.00%	1.00%	1.00%	Q1- Every Monday of each week Q2 - Q3 - Each Second Week Q4 -	Q1- Q2 - Q3 - None Q4 -

TOTAL FOR THE VOTE SELECTED - %	100%
CONVERTED TO 100% FOR THE VOTE	100.00%

ACTUAL SCORE FOR THE VOTE

Performance for September 2009	60.70%	61.01%
Performance for December 2009	67.10%	67.44%
Performance for March 2010	78.17%	78.56%
Performance for June 2010	81.05%	81.46%
Average Performance for the Year	71.75%	72.11%

Financial Statements

NAMAKWA DISTRICT MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

GENERAL INFORMATION

NATURE OF BUSINESS

Namakwa District Municipality is a district municipality performing the functions as set out in the Constitution. (Act no 105 of 1996)

COUNTRY OF ORIGIN AND LEGAL FORM

South African Category C Municipality (District Municipality) as defined by the Municipal Structures Act. (Act no 117 of 1998)

JURISDICTION

The Namakwa District Municipality includes the municipal areas of Khai-Ma Municipality, Nama Khoi Municipality, Richtersveld Municipality, Kamiesberg Municipality, Hantam Municipality and Karoo Hoogland Municipality.

MEMBERS OF THE MAYORAL COMMITTEE

Executive Mayor
Speaker (*Ex Officio*)
Executive Councillor
Executive Councillor
Executive Councillor

HJ Visser
BG Vass
MR Klaasse
EC Drage-Maritz
SD Hoskin

MUNICIPAL MANAGER

JT Loubser (Acting)

CHIEF FINANCIAL OFFICER

IB Farmer (suspended)

REGISTERED OFFICE

Private Bag X20
SPRINGBOK
8240

AUDITORS

Auditor-General
P.O. Box 446
PRETORIA
0001

PRINCIPLE BANKERS

ABSA Bank

RELEVANT LEGISLATION

Municipal Finance Management Act (Act no 56 of 2003)
Division of Revenue Act
The Income Tax Act
Value Added Tax Act
Municipal Structures Act (Act no 117 of 1998)
Municipal Systems Act (Act no 32 of 2000)
Municipal Planning and Performance Management Regulations
Water Services Act (Act no 108 of 1997)
Housing Act (Act no 107 of 1997)
Municipal Property Rates Act (Act no 6 of 2004)
Electricity Act (Act no 41 of 1987)
Skills Development Levies Act (Act no 9 of 1999)
Employment Equity Act (Act no 55 of 1998)
Unemployment Insurance Act (Act no 30 of 1966)
Basic Conditions of Employment Act (Act no 75 of 1997)
Supply Chain Management Regulations, 2005
Collective Agreements
Infrastructure Grants
SALBC Leave Regulations
Demarcation Act (Act no. 27 of 1998)
White Paper on Local Government
Municipal Ordinance Act 20/1974

NAMAKWA DISTRICT MUNICIPALITY

MEMBERS OF THE NAMAKWA DISTRICT MUNICIPALITY

WARD

Proportional-Namakwa District
Proportional-Namakwa District
Proportional-Namakwa District
Proportional-Namakwa District
Proportional-Namakwa District
Proportional-Namakwa District
Proportional-Namakwa District
Delegate-Hantam
Delegate-Khai-Ma
Delegate-Kamiesberg
Delegate-Nama Khoi
Delegate-Nama Khoi
Delegate-Karoo Hoogland
Delegate-Richtersveld

COUNCILLOR

HJ Visser
BG Vass
EC Drage-Maritz
PG van Wyk
SF Nieuwoudt
RR Archer
RC Rainers
JM Koose
JJ Swartbooi
MR Klaase
SD Hoskin
KR Groenewald
JJ de Wee
D Singh

APPROVAL OF FINANCIAL STATEMENTS

I am responsible for the preparation of these annual financial statements, which are set out on pages 5 to 69 in terms of Section 126 (1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

JT Loubser
Acting Municipal Manager

Date

NAMAKWA DISTRICT MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2010

	Notes	2010 R	2009 R
NET ASSETS AND LIABILITIES			
Net Assets		40 536 571	35 542 915
Capital Replacement Reserve	2	1 837 177	1 836 325
Accumulated Surplus/(Deficit)		38 699 394	33 706 590
Non-Current Liabilities		18 140 912	18 489 083
Long-term Liabilities	3	3 664 859	4 164 891
Non-current Employee Benefits	4	14 476 053	14 324 192
Current Liabilities		32 922 091	23 694 092
Current Employee Benefits	5	3 350 028	3 062 056
Trade and Other Payables	6	15 458 747	3 853 213
Unspent Conditional Government Grants and Receipts	7	13 399 697	16 183 519
Current Portion of Long-term Liabilities	3	713 619	595 304
Total Net Assets and Liabilities		91 599 574	77 726 090
ASSETS			
Non-Current Assets		12 970 498	12 032 149
Property, Plant and Equipment	10	11 658 821	10 646 388
Investment Property	11	-	-
Intangible Assets	12	1 310 531	1 384 615
Investments	13	1 146	1 146
Long-Term Receivables	14	-	-
Current Assets		78 629 076	65 693 941
Inventory	15	482 367	587 378
Other Receivables from non-exchange transactions	16	728 027	3 031 268
Operating Lease Asset	17	28 089	10 023
Taxes	8.2	605 290	165 381
Current Portion of Long-term Receivables	14	-	2 303
Cash and Cash Equivalents	18.1	76 785 303	61 897 588
Total Assets		91 599 574	77 726 090

NAMAKWA DISTRICT MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2010

	Notes	2010 R	2009 R
REVENUE			
Revenue from Non-exchange Transactions		53 633 470	55 792 053
Taxation Revenue		383 173	-
Property taxes	19	383 173	-
Transfer Revenue		52 893 867	54 515 639
Government Grants and Subsidies	20	52 893 867	54 363 642
Contributed Property, Plant and Equipment		-	151 997
Other Revenue		356 430	1 276 414
Actuarial Gains	5	345 951	1 259 931
Other	21	10 479	16 483
Revenue from Exchange Transactions		7 212 527	9 640 050
Rental of Facilities and Equipment	22	592 074	507 166
Interest Earned - external investments	23	3 682 655	5 543 786
Interest Earned - outstanding receivables	24	-	166
Income for Agency Services		2 294 478	2 787 577
Other Income	25	643 320	801 355
Total Revenue		60 845 998	65 432 103
EXPENDITURE			
Employee related costs	26	(21 539 706)	(19 184 685)
Remuneration of Councillors	27	(2 283 077)	(2 134 216)
Debt Impairment	28	-	(2 818 661)
Depreciation and Amortisation	29	(1 480 248)	(1 286 168)
Repairs and Maintenance		(1 880 370)	(1 789 178)
Actuarial Losses	5	(18 564)	-
Finance Costs	30	(2 025 119)	(2 403 706)
Grants and Subsidies Paid	31	(5 848 652)	(1 961 588)
Other Operating Grant Expenditure		(8 940 044)	(16 173 517)
General Expenses	32	(11 719 297)	(11 036 384)
Total Expenditure		(55 735 075)	(58 788 103)
Operating Surplus for the Year		5 110 923	6 644 000
Gains/(Loss) on Sale of Assets	33	(117 268)	79 013
(Impairment loss)/Reversal of impairment loss	34	-	-
NET SURPLUS/(DEFICIT) FOR THE YEAR		4 993 655	6 723 013

NAMAKWA DISTRICT MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2010

	Capital Replacement Reserve R	Accumulated Surplus/ (Deficit) R	Total R
Balance at 1 July 2008	2 993 023	39 856 617	42 849 640
Correction of Error - note 35.7	-	(14 029 736)	(14 029 736)
Restated balance	2 993 023	25 826 881	28 819 904
Net Surplus/(Deficit) for the year	-	3 649 375	3 649 375
Property, Plant and Equipment purchased	(1 156 698)	1 156 698	-
Balance at 30 June 2009	1 836 325	30 632 954	32 469 279
Correction of Error - note 35.8	-	3 073 638	3 073 638
Restated balance	1 836 325	33 706 592	35 542 917
Net Surplus/(Deficit) for the year		4 993 655	4 993 655
Transfer to/(from) CRR	2 458 813	(2 458 813)	-
Property, Plant and Equipment purchased	(2 457 961)	2 457 961	-
Balance at 30 June 2010	1 837 178	38 699 394	40 536 572

NAMAKWA DISTRICT MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

	Notes	2010 R	2009 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts			
Taxation		177 733	-
Grants		51 897 043	49 420 465
Investment income		3 682 655	5 543 952
Other receipts		6 004 608	7 634 675
Cash payments			
Employee costs		(24 335 921)	(22 008 741)
Suppliers		(19 062 797)	(43 469 382)
Finance costs		(677 597)	(739 996)
Net Cash from Operating Activities	36	17 685 724	(3 595 272)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment and Intangible Assets		(2 388 338)	(1 451 345)
Proceeds on Disposal of Fixed Assets		266 264	533 896
Purchase of Intangible Assets		(69 622)	-
(Increase)/Decrease in Long-term Receivables		2 303	88 647
Net Cash from Investing Activities		(2 189 393)	(828 802)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of finance leases		(13 312)	(52 060)
Repayment of annuity loans		(595 304)	(522 579)
Net Cash from Financing Activities		(608 616)	(574 639)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		14 887 715	(4 998 713)
Cash and Cash Equivalents at the beginning of the year		61 897 588	66 896 301
Cash and Cash Equivalents at the end of the year	37	76 785 303	61 897 588
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		14 887 715	(4 998 713)

ACCOUNTING POLICY FOR NAMAKWA DISTRICT MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2010

1. BASIS OF PREPARATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board.

The standards are summarised as follows:

REFERENCE	TOPIC
GRAP Framework	Framework for the preparation and presentation of financial statements
GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4	The Effects of changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements
GRAP 7	Investments in Associate
GRAP 8	Interests in Joint Ventures
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economies
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events after the reporting date
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment (PPE)
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 100	Non-Current Assets Held for Sale and Discontinued Operations
GRAP 101	Agricultural
GRAP 102	Intangible assets
IPSAS 20	Related Party Disclosure
GAMAP 9.29 - .35 & .39 - .54	Revenue
IFRS 3	Business Combinations
IFRS 7	Financial Instruments; Disclosures

IAS 19	Employee Benefits
IAS 32	Financial Instruments: Presentation
IAS 39	Financial Instruments: Recognition and Measurement
IGRAP 1	Applying the probability test on initial recognition of exchange revenue
IFRIC 4	Determining whether an arrangement contains a lease
Directive 1	Repeal of Existing Transitional Provisions in, and Consequential Amendments to, Standards of GRAP
Directive 2	Transitional Provisions for the Adoption of Standards of GRAP by Public Entities, Municipal Entities and Constitutional Institutions
Directive 3	Transitional Provisions for the Adoption of Standards of GRAP by High Capacity Municipalities
Directive 4	Transitional Provisions for the Adoption of Standards of GRAP by Medium and Low Capacity Municipalities
Directive 5	Determining the GRAP Reporting Framework
ASB guide 1	Guideline on Accounting for Public Private Partnerships

Accounting policies for material transactions, events or conditions not covered by the above GRAP have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3.

A summary of the significant accounting policies, which have been consistently applied except where an exemption or transitional provision has been granted, are disclosed below.

Assets, liabilities, revenue and expenses have not been offset except when offsetting is permitted or required by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant notes to the Financial Statements.

In terms of Directive 4: "Transitional Provisions for the Adoption of Standards of GRAP by Medium and Low Capacity Municipalities" issued by the Accounting Standards Board the municipality has adopted the transitional provisions for the following GRAP Standards:

GRAP 5 – Borrowing Cost
GRAP 12 – Inventories
GRAP 13 – Leases
GRAP 16 – Investment Properties
GRAP 17 – Property, Plant and Equipment
GRAP 19 – Provisions, Contingent Liabilities and Contingent Assets
GRAP 100 – Non-current Assets Held for Sale and Discontinued Operations
GRAP 101 – Agriculture
GRAP 102 – Intangible Assets

2. PRESENTATION CURRENCY

Amounts reflected in the financial statements are in South African Rand and at actual values. No financial values are given in an abbreviated display format. No foreign exchange transactions are included in the statements.

3. GOING CONCERN ASSUMPTION

These annual financial statements have been prepared on a going concern basis.

4. COMPARATIVE INFORMATION

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated, unless a standard of GRAP does not require the restatements of comparative information. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

5. STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the municipality:

GRAP 18	Segment Reporting
GRAP 21	Impairment of non-cash-generating assets
GRAP 23	Revenue from Non-Exchange Transactions (Taxes and Transfers)
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 26	Impairment of cash-generating assets
GRAP 103	Heritage Assets

6. FOREIGN CURRENCY TRANSACTIONS

The Municipality will not incur a foreign currency liability other than that allowed by the MFMA.

7. RESERVES

7.1 *Capital Replacement Reserve (CRR)*

In order to finance the provision of infrastructure and other items of property, plant and equipment from internal sources, funds are transferred from the accumulated surplus / (deficit) to the CRR in terms of a Council Resolution for approval thereof. The funds in the CRR can only be utilized to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus / (Deficit) are credited by a corresponding amount when the amounts in the CRR are utilized.

The CRR may only be utilized for the purpose of purchasing/ construction of items of property, plant and equipment and may not be used for the maintenance of these items.

7.2 *Revaluation Reserve*

The accounting for the Revaluation Reserve must be done in accordance with the requirements of GRAP 17.

All increases in the carrying value of assets as a result of a revaluation are credited against the reserve, except to the extent that the increase reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

8. LEASES

8.1 Municipality as Lessee

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Transfer of ownership is not required to be recognised as a finance lease. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments. The corresponding liabilities are initially recognised at the inception of the lease and are measured as the sum of the minimum lease payments due in terms of the lease agreement, discounted for the effect of interest. In discounting the lease payments, the municipality uses the interest rate that exactly discounts the lease payments and unguaranteed residual value to the fair value of the asset plus any direct costs incurred.

Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant and equipment or intangibles. The lease liability is reduced by the lease payments, which are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. The accounting policies relating to derecognition of financial instruments are applied to lease payables.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are accrued on a straight-line basis over the term of the relevant lease.

8.2 Municipality as Lessor

Under a finance lease, the municipality recognises the lease payments to be received in terms of a lease agreement as an asset (receivable). The receivable is calculated as the sum of all the minimum lease payments to be received, plus any unguaranteed residual accruing to the municipality, discounted at the interest rate implicit in the lease. The receivable is reduced by the capital portion of the lease instalments received, with the interest portion being recognised as interest revenue on a time proportionate basis. The accounting policies relating to derecognition and impairment of financial instruments are applied to lease receivables.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

9. BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised to the cost of that asset unless it is inappropriate to do so. The municipality ceases the capitalisation of borrowing costs when substantially all the activities to prepare the asset for its intended use or sale are complete. It is considered inappropriate to capitalise borrowing costs where the link between the funds borrowed and the capital asset acquired cannot be adequately established. Borrowing costs incurred other than on qualifying assets are recognised as an expense in the Statement of Financial Performance when incurred.

10. UNSPENT CONDITIONAL GRANTS

Unspent conditional grants are financial liabilities that are separately reflected on the Statement of Financial Position. They represent unspent government grants, subsidies and contributions from the public.

This liability always has to be cash-backed. The following provisions are set for the creation and utilisation of this creditor:

- Unspent conditional grants are recognised as a liability when the grant is received.
- When grant conditions are met an amount equal to the conditions met are transferred to revenue in the Statement of Financial Performance.
- The cash which backs up the creditor is invested until it is utilised.
- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

11. PROVISIONS

Provisions are recognised when the municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting date and adjusted to reflect the current best estimate. where the effect is material, non-current provisions are discounted to their present value using a discount rate that reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability (for example in the case of obligations for the rehabilitation of land).

The municipality does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is probable.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

A provision for restructuring costs is recognised only when the following criteria over and above the recognition criteria of a provision have been met:

- (a) The municipality has a detailed formal plan for the restructuring identifying at least:
- the business or part of a business concerned;
 - the principal locations affected;
 - the location, function and approximate number of employees who will be compensated for terminating their services;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented.
- (b) The municipality has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date.

Provisions shall be reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision shall be reversed.

12. EMPLOYEE BENEFITS

(a) *Post Retirement Medical obligations*

The Municipality provides post-retirement healthcare benefits to its retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions are charged or credited to the Statement of Financial Performance. These obligations are valued annually by independent qualified actuaries.

(b) *Long Service Awards*

Long service awards are provided to employees who achieve certain pre-determined milestones of service within the municipality. The municipality's obligation under these plans is valued by independent qualified actuaries periodically and the corresponding liability is raised. Payments are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as employee benefits upon valuation.

(c) *Accrued Leave Pay*

Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total amount of leave days due to employees at year end and also on the total remuneration package of the employee.

13. PROPERTY, PLANT AND EQUIPMENT

13.1 *Initial Recognition*

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year. Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the assets acquired is initially measure at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

13.2 Subsequent Measurement – Cost Model

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits associated with the asset.

13.3 Depreciation and Impairment

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The annual depreciation rates are based on the following estimated useful lives:

	Years		Years
<u>Infrastructure</u>		<u>Other</u>	
Roads and Paving	10-30	Buildings	30
Pedestrian Malls	20	Specialist vehicles	10
Electricity	20-30	Other vehicles	5
Water	15-20	Office equipment	3-7
Sewerage	15-20	Furniture and fittings	5-10
Housing	30	Watercraft	15
		Bins and containers	5
<u>Community</u>		Specialised plant and	
Buildings	30	Equipment	10-15
Recreational Facilities	20-30	Other plant and	
Security	5	Equipment	2-5
Halls	20-30	Landfill sites	20
Libraries	20-30	Quarries	25
Parks and gardens	20-30	Emergency equipment	10
Other assets	15-20	Computer equipment	3
<u>Heritage assets</u>			
No depreciation			
<u>Finance lease assets</u>			
Office equipment	3		
Other assets	5		

The residual value, the useful life of an asset and the depreciation method is reviewed annually and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

The municipality tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount (or recoverable service amount), and an impairment loss is charged to the Statement of Financial Performance.

13.4Derecognition

Items of property, plant and equipment are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

14. INTANGIBLE ASSETS

14.1Initial Recognition

An intangible asset is an identifiable non-monetary asset without physical substance.

An asset meets the identifiability criterion in the definition of an intangible asset when it:

- is separable, i.e. is capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, asset or liability; or
- arises from contractual rights (including rights arising from binding arrangements) or other legal rights (excluding rights granted by statute), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

The municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality and the cost or fair value of the asset can be measured reliably.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

- the municipality intends to complete the intangible asset for use or sale;
- it is technically feasible to complete the intangible asset;
- the municipality has the resources to complete the project; and
- it is probable that the municipality will receive future economic benefits or service potential.

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired by the municipality for no or nominal consideration (i.e. a non exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

14.2 Subsequent Measurement – Cost Model

Intangible assets are subsequently carried at cost less accumulated amortisation and impairments. The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is subject to an annual impairment test.

14.3 Amortisation and Impairment

Amortisation is charged so as to write off the cost or valuation of intangible assets over their estimated useful lives using the straight line method. The annual amortisation rates are based on the following estimated useful lives:

<u>Intangible Assets</u>	<u>Years</u>
Computer Software	3

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

The municipality tests intangible assets with finite useful lives for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of an intangible asset is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

14.4 Derecognition

Intangible assets are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

15. INVESTMENT PROPERTY

15.1 Initial Recognition

Investment property shall be recognised as an asset when, and only when:

- it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the entity, and
- the cost or fair value of the investment property can be measured reliably

Investment property includes property (land or a building, or part of a building, or both land and buildings held under a finance lease) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations.

At initial recognition, the municipality measures investment property at cost including transaction costs once it meets the definition of investment property. However, where an investment property was acquired through a non-exchange transaction (i.e. where it acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the municipality accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use

The cost of self-constructed investment property is the cost at date of completion.

15.2 Subsequent Measurement – Cost Model

Investment property is measured using the cost model. Under the cost model, investment property is carried at its cost less accumulated depreciation, at the reporting date.

15.3 Depreciation and Impairment

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

<u>Investment Property</u>	<u>Years</u>
Buildings	30

15.4 Derecognition

Investment property is derecognised when it is disposed or when there are no further economic benefits expected from the use of the investment property. The gain or loss arising on the disposal or retirement of an item of investment property is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

16. NON-CURRENT ASSETS HELD FOR SALE

16.1 Initial Recognition

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

16.2 Subsequent Measurement

Non-current assets held for sale (or disposal group) are measured at the lower of carrying amount and fair value less costs to sell.

A non-current asset is not depreciated (or amortised) while it is classified as held for sale, or while it is part of a disposal group classified as held for sale.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale are recognised in surplus or deficit.

17. CONSTRUCTION CONTRACTS

Where the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date, as measured by either the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs or surveys of work done or completion of a physical proportion of the contract work.

Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent that contract costs incurred are recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

18. IMPAIRMENT OF NON-FINANCIAL ASSETS

The municipality assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the municipality estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. Impairment losses are recognised in the Statement of Financial Performance in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the municipality estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement.

19. INVENTORIES

19.1 Initial Recognition

Inventories comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

19.2 Subsequent Measurement

Inventories, consisting of consumable stores, raw materials, work-in-progress and finished goods, are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. Redundant and slow-moving inventories are identified and written down in this way. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

In general, the basis of allocating cost to inventory items is the weighted average method.

20. FINANCIAL INSTRUMENTS

Financial instruments recognised on the balance sheet include trade and other receivables, cash and cash equivalents, annuity loans and trade and other payables.

20.1 Initial Recognition

Financial instruments are initially recognised when the municipality becomes a party to the contractual provisions of the instrument at fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

20.2 Subsequent Measurement

Financial Assets are categorised according to their nature as either financial assets at fair value through profit or loss, held-to-maturity, loans and receivables, or available for sale. Financial Liabilities are categorised as either at fair value through profit or loss or financial liabilities carried at amortised cost ("other"). The subsequent measurement of financial assets and liabilities depends on this categorisation and, in the absence of an approved GRAP Standard on Financial Instruments, is in accordance with IAS 39.

20.2.1 Investments

Investments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are categorised as either held-to-maturity where the criteria for that categorisation are met, or as loans and receivables, and are measured at amortised cost. Where investments have been impaired, the carrying value is adjusted by the impairments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows flowing from the instrument. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

20.2.2 Trade and Other Receivables

For amounts due from debtors carried at amortised cost, the municipality includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Objective evidence of impairment includes significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of the asset. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the municipality. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is recognised in the income statement.

The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

20.2.3 Trade Payables and Borrowings

Financial liabilities consist of trade payables and borrowings. They are categorised as financial liabilities held at amortised cost, are initially recognised at fair value and subsequently measured at amortised cost which is the initial carrying amount, less repayments, plus interest.

20.2.4 Cash and Cash Equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with bank, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets: loans and receivables.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are categorised as financial liabilities: other financial liabilities carried at amortised cost.

20.3Derecognition of Financial Instruments

20.3.1 Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the municipality has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the municipality has transferred substantially all the risks and rewards of the asset, or (b) the municipality has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the municipality has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, a new asset is recognised to the extent of the municipality's continuing involvement in the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the municipality could be required to repay.

When continuing involvement takes the form of a written and/or purchased option (including a cash settled option or similar provision) on the transferred asset, the extent of the municipality's continuing involvement is the amount of the transferred asset that the municipality may repurchase, except that in the case of a written put option (including a cash settled option or similar provision) on an asset measured at fair value, the extent of the municipality's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

20.3.2 Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

20.4Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

21. REVENUE

21.1 Revenue from Non-Exchange Transactions

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportionate basis as an exchange transaction

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received, together with an estimate of spot fines and summonses that will be received based on past experience of amounts collected.

Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the municipality. Where public contributions have been received but the municipality has not met the related conditions, it is recognised as an unspent public contribution (liability).

Revenue from third parties i.e. insurance payments for assets impaired, are recognised when it can be measured reliably and is not being offset against the related expenses of repairs or renewals of the impaired assets.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment qualifies for recognition and become available for use by the municipality.

Revenue from recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No. 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

Revenue shall be measured at the fair value of the consideration received or receivable.

When, as a result of a non-exchange transaction, a municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the present obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability will be recognised as revenue.

21.2 Revenue from Exchange Transactions

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered/ goods sold, the value of which approximates the consideration received or receivable.

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the recorded number of refuse containers per property.

Service charges from sewerage and sanitation are based on the number of sewerage connections on each developed property using the tariffs approved from Council and are levied monthly.

Interest revenue is recognised using the effective interest rate method.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Dividends are recognised on the date that the Municipality becomes entitled to receive the dividend.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licences and permits.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods are passed to the consumer.

Revenue arising out of situations where the municipality acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the municipality as compensation for executing the agreed services.

Revenue shall be measured at the fair value of the consideration received or receivable.

The amount of revenue arising on a transaction is usually determined by agreement between the entity and the purchaser or user of the asset or service. It is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the entity.

In most cases, the consideration is in the form of cash or cash equivalents and the amount of revenue is the amount of cash or cash equivalents received or receivable. However, when the inflow of cash or cash equivalents is deferred, the fair value of the consideration may be less than the nominal amount of cash received or receivable. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The imputed rate of interest is the more clearly determinable of either:

- The prevailing rate for a similar instrument of an issuer with a similar credit rating; or
- A rate of interest that discounts the nominal amount of the instrument to the current cash sales price of the goods or services.

The difference between the fair value and the nominal amount of the consideration is recognised as interest revenue and in accordance with the relevant Standards of GRAP on Financial Instruments.

When goods or services are exchanged or swapped for goods or services which are of a similar nature and value, the exchange is not regarded as a transaction that generates revenue. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction that generates revenue. The revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the goods or services received cannot be measured reliably, the revenue is measured at the fair value of the goods or services given up, adjusted by the amount of any cash or cash equivalents transferred.

21.3 Grants, Transfers and Donations (Non-Exchange Revenue)

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

22. RELATED PARTIES

Individuals as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. It includes full-time councillors, being the Executive Mayor, Deputy Mayor, Speaker and members of the Mayoral Committee. Key management personnel is defined as the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

23. UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in a form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No. 56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

24. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No. 56 of 2003), the Municipal Systems Act (Act No. 32 of 2000), the Public Office Bearers Act, and (Act. No. 20 of 1998) or is in contravention of the Municipality's Supply Chain Management Policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

25. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and could have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

26. CONTINGENT LIABILITIES

Contingent liabilities existent at the reporting date include housing loan guarantees issued by arrangement with Council's bankers.

Other known contingent liabilities are reflected in the financial statements.

27. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the process of applying the Municipality's accounting policy, management has made the following significant accounting judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – the Municipality as lessor

The Municipality has entered into commercial property leases on its investment property portfolio. The Municipality has determined that it retains all the significant risks and rewards of ownership of these properties, and so accounts for them as operating leases.

Pension and other post-employment benefits

The cost of defined benefit pension plans and other employment medical benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

Impairment of trade receivables

The calculation in respect of the impairment of debtors is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This was performed per service-identifiable categories across all classes of debtors.

Property, plant and equipment

The useful lives of assets are based on management's estimation. Management considers the impact of technology, availability of capital funding, service requirements and required return on assets to determine the optimum useful life expectation, where appropriate. The estimation of residual values of assets is also based on management's judgement whether the assets will be sold or used to the end of their useful lives, and in what condition they will be at that time.

Provisions and contingent liabilities

Management judgement is required when recognising and measuring provisions and when measuring contingent liabilities. Provisions are discounted where the effect of discounting is material using actuarial valuations.

Revenue Recognition

Accounting Policy 1.21.1 on Revenue from Non-Exchange Transactions and Accounting Policy 1.21.2 on Revenue from Exchange Transactions describes the conditions under which revenue will be recognised by management of the municipality.

In making their judgement, management considered the detailed criteria for the recognition of revenue as set out in GRAP 9: Revenue from Exchange Transactions and GAMAP 9: Revenue, as far as Revenue from Non-Exchange Transactions is concerned (see Basis of Preparation note 1.19 above). Specifically, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services are rendered, whether the service has been performed. Revenue from the issuing of spot fines and summonses has been recognised on the accrual basis using estimates of future collections based on the actual results of prior periods. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate

28. TAXES

Revenue, expenses and assets are recognised net of the amounts of value added tax. The net amount of Value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

29. AMENDED DISCLOSURE POLICY

Amendments to accounting policies are reported as and when deemed necessary based on the relevance of any such amendment to the format and presentation of the financial statements. The principal amendments to matters disclosed in the current financial statements include fundamental errors, changes and the treatment of assets financed by external grants.

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 R	2009 R
2. NET ASSET RESERVES		
RESERVES	1 837 177	1 836 325
Capital Replacement Reserve	1 837 177	1 836 325
Total Net Asset Reserve and Liabilities	1 837 177	1 836 325
2.1 The Capital Replacement Reserve is used to finance future capital expenditure from own funds.		
3. LONG TERM LIABILITIES		
Annuity Loans - At amortised cost	4 164 891	4 760 195
Capitalised Lease Liability - At amortised cost	213 587	-
	4 378 478	4 760 195
Less: Current Portion transferred to Current Liabilities	(713 619)	(595 304)
Annuity Loans - At amortised cost	(678 218)	(595 304)
Capitalised Lease Liability - At amortised cost	(35 401)	-
Total Long-term Liabilities - At amortised cost using the effective interest rate method	3 664 859	4 164 891
3.1 The obligations under finance leases are scheduled below:		
	Minimum lease payments	
Amounts payable under finance leases:		
Payable within one year	64 020	-
Payable within two to five years	229 405	-
Payable after five years	-	-
	293 425	-
Less: Future finance obligations	(79 838)	-
Present value of lease obligations	213 587	-
Refer to Appendix A for descriptions, maturity dates and effective interest rates of structured loans and finance.		
Leases are secured by property, plant and equipment - Note 10		
Exemptions taken for leases according to Directive 4 - Transitional Provisions for Medium and Low Capacity Municipalities.		
4. NON-CURRENT EMPLOYEE BENEFITS		
Provision for Post Retirement Health Care Benefits	13 452 991	13 399 760
Provision for Long Service Awards	1 023 062	924 432
Total Non-current Employee Benefits	14 476 053	14 324 192
<u>Post Retirement Health Care Benefits</u>		
Balance 1 July	14 348 468	14 691 468
Contribution for the year	1 474 082	1 753 390
Expenditure for the year	(948 708)	(874 632)
Actuarial Loss/(Gain)	(345 951)	(1 221 758)
Total provision 30 June	14 527 891	14 348 468
Less: Transfer of Current Portion to Current Provisions - Note 5	(1 074 900)	(948 708)
Balance 30 June	13 452 991	13 399 760

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	R	R
<u>Long Service Awards</u>		
Balance 1 July	1 014 462	957 523
Contribution for the year	202 973	219 838
Expenditure for the year	(90 030)	(124 726)
Actuarial Loss/(Gain)	18 564	(38 173)
Total provision 30 June	1 145 969	1 014 462
<u>Less:</u> Transfer of Current Portion to Current Provisions - Note 5	(122 907)	(90 030)
Balance 30 June	1 023 062	924 432

4.1 Provision for Post Retirement Health Care Benefits

The Post Retirement Health Care Benefit Plan is a defined benefit plan, of which the members are made up as follows:

In-service (employee) members	71	-
In-service (non-employee) members	48	-
Continuation members (e.g. Retirees, widows, orphans)	47	-
Total Members	166	-

The liability in respect of past service has been estimated to be as follows:

In-service members	2 556 005	-
Continuation members	11 971 886	-
Total Liability	14 527 891	14 348 468

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

Bonitas
Hosmed
LA Health
Key Health, and
SAMWU Medical Aid

The Current-service Cost for the ensuing year is estimated to be R209 443, whereas the Interest Cost for the next year is estimated to be R1 251 825.

Key actuarial assumptions used:

	%	%
i) Rate of interest		
Discount rate	8.94	9.08
Health Care Cost Inflation Rate	6.52	7.36
Net Effective Discount Rate	2.27	1.60

ii) Mortality rates

The PA 90 ultimate table, rated down by 1 year of age was used by the actuaries.

iii) Normal retirement age

The normal retirement age for employees of the municipality is 60 years.

The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations	14 527 891	14 348 468
Fair value of plan assets	-	-
	14 527 891	14 348 468
Unrecognised past service cost	-	-
Unrecognised actuarial gains/(losses)	-	-
Present Value of unfunded obligations	-	-
Net liability/(asset)	14 527 891	14 348 468

The municipality has elected to recognise the full increase in this defined benefit liability immediately as per IAS 19, Employee Benefits, paragraph 155 (a).

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 R	2009 R
Reconciliation of present value of fund obligation:		
Present value of fund obligation at the beginning of the year	14 348 468	14 691 468
Total expenses	525 374	878 758
Current service cost	212 904	187 499
Interest Cost	1 261 178	1 565 891
Benefits Paid	(948 708)	(874 632)
Actuarial (gains)/losses	(345 951)	(1 221 758)
Present value of fund obligation at the end of the year	<u>14 527 891</u>	<u>14 348 468</u>

Reconciliation of fair value of plan assets:

Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Contributions: Employer	-	-
Contributions: Employee	-	-
Past Service Costs	-	-
Actuarial (gains)/losses	-	-
Benefits Paid	-	-
Fair value of plan assets at the end of the year	<u>-</u>	<u>-</u>

Sensitivity Analysis on the Accrued Liability

	In-service members liability (Rm)	Continuation members liability (Rm)	Total liability (Rm)	% change
Assumption				
Central Assumptions	2.556	11.972	14.528	

The effect of movements in the assumptions are as follows:

	Change	In-service members liability (Rm)	Continuation members liability (Rm)	Total liability (Rm)	% change
Assumption					
Health care inflation	1%	3.038	13.000	16.038	10%
Health care inflation	-1%	2.168	11.067	13.236	-9%
Post-retirement mortality	-1 yr	2.639	12.444	15.083	4%
Average retirement age	-1 yr	2.758	11.972	14.730	1%
Withdrawal Rate	-50%	2.844	11.972	14.816	2%

4.2 Provision for Long Service Awards

The Long Service Awards are long term employee benefits treated as defined benefit plan in accordance with IAS 19. As at year end, 79 employees were eligible for Long Service Awards.

The Current-service Cost for the ensuing year is estimated to be R123 475 whereas the Interest Cost for the next year is estimated to be R94 709.

Key actuarial assumptions used: % %

i) Rate of interest

Discount rate	8.77	8.96
General Salary Inflation (long-term)	5.99	6.62
Net Effective Discount Rate applied to salary-related Long Service Bonuses	2.63	2.19

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 R	2009 R
The amounts recognised in the Statement of Financial Position are as follows:		
Present value of fund obligations	1 145 969	1 014 462
Fair value of plan assets	-	-
	<u>1 145 969</u>	<u>1 014 462</u>
Unrecognised past service cost	-	-
Unrecognised actuarial gains/(losses)	-	-
Present value of unfunded obligations	-	-
Net liability/(asset)	<u>1 145 969</u>	<u>1 014 462</u>

Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year	1 014 462	957 523
Total expenses	112 943	95 112
Current service cost	116 629	122 019
Interest Cost	86 344	97 819
Benefits Paid	(90 030)	(124 726)
Actuarial (gains)/losses	18 564	(38 173)
Present value of fund obligation at the end of the year	<u>1 145 969</u>	<u>1 014 462</u>

Reconciliation of fair value of plan assets:

Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Contribution: Employer	-	-
Contribution: Employee	-	-
Past service costs	-	-
Actuarial (gains)/losses	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the year	<u>-</u>	<u>-</u>

Sensitivity Analysis on the Unfunded Accrued Liability

	Change	Liability (Rm)	% change
Assumption		1.146	
Central assumptions		1.207	5%
General salary inflation	1%	1.090	-5%
Average retirement age	-2 yrs	1.004	-12%
Average retirement age	+ 2 yrs	1.243	9%
Withdrawal rates	-50%	1.345	16%

4.3 Retirement funds

CAPE JOINT PENSION FUND

This fund comprises a defined benefit section and a defined contribution section. The Cape Joint Pension Fund is a multi-employer plan and the contribution rate payable is 9%, by the members and 18% by Council. In respect of the defined benefit section the last valuation performed for the year ended 30 June 2009 (30 June 2008) revealed that the fund had an actuarial surplus of R0 (R182,733) million with a funding level of 100% (106,5%), and is in a sound financial state as at 30 June 2009.

CAPE JOINT RETIREMENT FUND

This fund comprises a defined benefit section and a defined contribution section. The contribution rate paid by the members (9,0%) and Council (18,0%) is sufficient to fund the benefits accruing from the fund in future. In respect of the defined contribution section the last valuation performed for the year ended 30 June 2008 (30 June 2007) revealed that the fund had an actuarial surplus of R12,033 (R 20,22) million with a funding level of 103,3% (105,3%) and is in a sound financial position as at 30 June 2008.

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

MUNICIPAL COUNCILLORS PENSION

The Municipal Councillors Pension Fund operates as a defined contribution scheme. The contribution rate paid by the members (13,75%) and council (15%) is sufficient to fund the benefits accruing from the fund in the future.

	2010 R	2009 R
5 CURRENT EMPLOYEE BENEFITS		
Staff Bonuses	655 078	605 569
Staff Leave	1 497 143	1 417 749
Current Portion of Non-Current Provisions	1 197 807	1 038 738
Current Portion of Post Retirement Health Care Benefits - Note 4	1 074 900	948 708
Current Portion of Long-Service Awards - Note 4	122 907	90 030
Total Provisions	3 350 028	3 062 056

The movement in current provisions are reconciled as follows:

5.1 Staff Bonuses

Balance at beginning of year	605 569	563 343
Contribution to current portion	1 018 913	961 285
Expenditure incurred	(969 404)	(919 059)
Balance at end of year	655 078	605 569

Bonuses are being paid to all municipal staff. The balance at year end represent the portion of the bonus that have already vested for the current salary cycle. There is no possibility of reimbursement.

5.2 Staff Leave

Balance at beginning of year	1 417 749	1 348 722
Contribution to current portion	166 909	338 098
Expenditure incurred	(87 515)	(269 071)
Balance at end of year	1 497 143	1 417 749

Staff leave accrued to employees according to collective agreement. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave. There is no possibility of reimbursement.

For more information regarding the provisions for Post Retirement Benefits and Long-term Service Awards - Refer to Note 4 to the Financial Statements, Other Defined Benefit Plan Information

6 TRADE AND OTHER PAYABLES

Trade Payables	2 783 154	307 120
Payments received in advance	25 365	12 727
Fines Received Suspense Account - 2010	58 320	-
Fines Received Suspense Account - 2009	132 210	132 210
Fines Received Suspense Account - 2008	386 120	386 120
Fines Received Suspense Account - 2007	534 900	534 900
Fines Received Suspense Account - 2006	355 148	355 148
Other Creditors	11 183 531	2 052 073
Other Creditors - Correction of Error - Note 35.6	-	72 915
Total Trade Payables	15 458 747	3 853 213

Payables are being paid within 30 days as prescribed by the MFMA. Payables are being recognised net of any discounts.

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

10. PROPERTY, PLANT AND EQUIPMENT

10.1 30 JUNE 2010

Reconciliation of Carrying Value	Land and Buildings R	Infrastructure R	Community R	Heritage R	Lease Assets R	Other R	Housing R	Total R
Carrying value at 1 July 2009	509 703	6 968 908	-	-	-	3 167 779	-	10 646 390
Cost	4 507 602	9 098 895	1 903 811	-	-	7 025 092	-	22 535 400
Original Cost	3 984 603	9 098 895	1 903 811	-	-	6 199 080	-	21 186 389
Correction of Error - Note 36.1	522 999	-	-	-	-	826 012	-	1 349 011
Accumulated Depreciation and Impairment Losses	(3 997 899)	(2 129 987)	(1 903 811)	-	-	(3 857 313)	-	(11 889 010)
Original Cost	(3 474 933)	(2 129 987)	(1 903 811)	-	-	(3 458 174)	-	(10 966 905)
Correction of Error - Note 36.1	(522 966)	-	-	-	-	(399 139)	-	(922 105)
Acquisitions	-	-	-	-	226 899	2 388 338	-	2 615 237
Proceeds on Sale of Assets	-	-	-	-	-	266 264	-	266 264
Depreciation	(68 685)	(323 779)	-	-	(18 908)	(1 423 606)	-	(1 834 978)
Normal Depreciation	(68 685)	(323 779)	-	-	(18 908)	(1 423 606)	-	(1 834 978)
Backlog Depreciation previously not recorded	-	-	-	-	-	-	-	-
Correction of Fixed Asset Register Classification in current year	-	80 295	-	-	-	(80 295)	-	-
Cost	-	87 385	-	-	-	(87 385)	-	-
Accumulated Depreciation	-	(7 090)	-	-	-	7 090	-	-
Impairment losses	-	-	-	-	-	(34 090)	-	(34 090)
Carrying value at 30 June 2010	441 018	6 725 424	-	-	207 991	4 284 390	-	11 658 823
Cost	5 729 318	9 186 280	159 133	-	226 899	8 575 660	-	23 877 290
Original Cost	5 729 318	9 186 280	159 133	-	226 899	8 575 660	-	23 877 290
Revaluation	-	-	-	-	-	-	-	-
Accumulated Depreciation and Impairment Losses	(5 288 300)	(2 460 856)	(159 133)	-	(18 908)	(4 291 272)	-	(12 218 469)
Original Cost	(5 288 300)	(2 460 856)	(159 133)	-	(18 908)	(4 291 272)	-	(12 218 469)
Revaluation	-	-	-	-	-	-	-	-

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

10.2 30 JUNE 2009

Reconciliation of Carrying Value	Land and Buildings R	Infrastructure R	Community R	Heritage R	Lease Assets R	Other R	Housing R	Total R
Carrying value at 1 July 2008	195 888	7 441 924	-	-	-	2 426 404	-	10 064 216
Cost	4 635 320	9 265 610	1 903 811	-	-	5 299 143	-	21 103 884
Original Cost	4 635 320	9 265 610	1 903 811	-	-	5 299 143	-	21 103 884
Accumulated Depreciation and Impairment Losses	(4 439 432)	(1 823 686)	(1 903 811)	-	-	(2 872 739)	-	(11 039 668)
Original Cost	(4 439 432)	(1 823 686)	(1 903 811)	-	-	(2 872 739)	-	(11 039 668)
Acquisitions	355 783	-	-	-	-	1 095 562	-	1 451 345
Depreciation	(112 662)	(1 221 901)	-	-	-	48 395	-	(1 286 168)
Normal Depreciation	(112 662)	(1 221 901)	-	-	-	48 395	-	(1 286 168)
Backlog Depreciation previously not recorded	-	-	-	-	-	-	-	-
Carrying value of disposals	(422 199)	-	-	-	-	(32 684)	-	(454 883)
Cost	(1 644 050)	-	-	-	-	(238 109)	-	(1 882 159)
Accumulated Depreciation	1 221 851	-	-	-	-	205 425	-	1 427 276
Correction of Fixed Asset Register Classification in current year	492 860	748 885	-	-	-	(796 771)	-	444 974
Cost	637 550	(166 715)	-	-	-	42 484	-	513 319
Accumulated Depreciation	(144 690)	915 600	-	-	-	(839 255)	-	(68 345)
Carrying value at 30 June 2009	509 670	6 968 908	-	-	-	2 740 906	-	10 219 484
Cost	3 984 603	9 098 895	1 903 811	-	-	6 199 080	-	21 186 389
Original Cost	3 984 603	9 098 895	1 903 811	-	-	6 199 080	-	21 186 389
Revaluation	-	-	-	-	-	-	-	-
Accumulated Depreciation and Impairment Losses	(3 474 933)	(2 129 987)	(1 903 811)	-	-	(3 458 174)	-	(10 966 905)
Original Cost	(3 474 933)	(2 129 987)	(1 903 811)	-	-	(3 458 174)	-	(10 966 905)
Revaluation	-	-	-	-	-	-	-	-

Refer to Appendix B for a more detailed disclosure of Property, Plant and Equipment.

The municipality opted to take advantage of the transitional provisions as contained in Directive 4 of the Accounting Standards Board, issued in February 2008. The municipality did not recognise or measure all the Property, Plant and Equipment in accordance with the standard, including the following:

Land;
Property, Plant and Equipment financed by way of finance leases;
Property, Plant and Equipment financed by way of provisions;
Property, Plant and Equipment transferred as a result of the transfer of functions; and
Componentised infrastructure assets.

The municipality is currently in a process of identifying all Property, Plant and Equipment and have it valued in terms of GRAP 17 and it is expected that this process will be completed for inclusion in the 2011 financial statements. The Municipality is in the process of itemizing all infrastructure and community assets and will recalculate accumulated depreciation once this exercise has been completed by 30 June 2011. At present depreciation on these assets is calculated on an averaging basis whereby an average useful life has been estimated for each category of infrastructure and community assets, using global historical costs recorded in the accounting records.

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	R	R
10.3 Fully Depreciated assets still in use were as follows:		
Cost	7 399 922	8 512 742
Land and Buildings	5 188 422	6 006 871
Infrastructure	-	-
Community Assets	159 133	-
Lease Assets	-	-
Heritage	-	-
Other	2 052 367	2 505 871
Accumulated Depreciation	(7 399 922)	(8 512 742)
Land and Buildings	(5 188 422)	(6 006 871)
Infrastructure	-	-
Community Assets	(159 133)	-
Lease Assets	-	-
Heritage	-	-
Other	(2 052 367)	(2 505 871)
Carrying value	-	-

10.4 Assets pledged as security:

Leased Property, Plant and Equipment of R 207 991 is secured for leases as set out in Note 3.

10.5 Impairment of property, plant and equipment

Impairment charges on property, plant and equipment recognised in statement of financial performance are as follows:

Land and Buildings	-	-
Infrastructure	-	-
Community Assets	-	-
Lease Assets	-	-
Heritage	-	-
Other	34 090	-
	<u>34 090</u>	<u>-</u>

11 INVESTMENT PROPERTY

Net Carrying amount at 1 July

Cost	1 404 678	1 404 678
Accumulated Depreciation	(1 404 678)	(1 404 678)

Acquisitions	-	-
Fair Value Adjustments	-	-
Depreciation for the year	-	-

Net Carrying amount at 30 June

Cost	1 404 678	1 404 678
Accumulated Depreciation	(1 404 678)	(1 404 678)

Exemptions taken for investment property according to Directive 4 - Transitional Provisions for Medium and Low Capacity Municipalities.

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 R	2009 R
12 INTANGIBLE ASSETS		
Net Carrying amount at 1 July	1 384 615	1 384 615
Cost	2 182 358	382 357
Correction of Error - Note 35.3	-	1 384 615
Accumulated Amortisation	(797 743)	(382 357)
Acquisitions	69 622	-
Amortisation	(143 707)	-
Net Carrying amount at 30 June	1 310 530	1 384 615
Cost	2 251 980	2 182 358
Accumulated Amortisation	(941 450)	(797 743)
Exemptions taken for intangible assets according to Directive 4 - Transitional Provisions for Medium and Low Capacity Municipalities.		
13 INVESTMENTS		
Unlisted		
Unlisted Stock: Nuweveld Co-op held for trading	1 146	1 146
Total Investments	1 146	1 146
Investments are made in terms of the municipality's Cash Management and Investment Policy, as required by means of Regulation R 308 of 1 April 2005 gazetted in the Government Gazette No 27431 of 1 April 2005 and issued by the Minister of Finance.		
14 LONG TERM RECEIVABLES		
OCC Housing Loans - At amortised cost	-	2 303
Less: Current portion transferred to current receivables	-	(2 303)
OCC Housing Loans - At amortised cost	-	(2 303)
Less: Provision for Impairment of Long Term Receivables	-	-
Total Long Term Receivables	-	-
15 INVENTORY		
Consumable Stores - Stationery and materials - At cost	482 367	587 378
Total Inventory	482 367	587 378
Consumable stores materials written down due to losses as identified during the annual stores counts.		
	18	47 974
Exemptions taken for inventory according to Directive 4 - Transitional Provisions for Medium and Low Capacity Municipalities.		
16 OTHER RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS		
Taxes - Rates	205 440	-
Other Receivables	3 215 322	5 953 278
Prepaid Expenses	-	192 266
Other	3 215 322	3 165 701
Correction of Error - Note 35.4	-	2 595 311
Less: Provision for bad debts	3 420 763	5 953 278
	(2 692 735)	(2 922 010)
Total Other Receivables from non-exchange transactions	728 027	3 031 268
The fair value of other receivables approximate their carrying value.		

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 R	2009 R
<u>(Rates): Ageing</u>		
Current (0 - 30 days)	30 095	-
31 - 60 Days	25 437	-
61 - 90 Days	22 855	-
+ 90 Days	127 052	-
Total	205 439	-
<u>Reconciliation of Provision for Bad Debts</u>		
Balance at beginning of year	2 922 010	1 081 279
Contribution to provision	-	2 818 661
Bad Debts written off against provision	(184 851)	(977 930)
Reversal of provision	(44 424)	-
Balance at end of year	2 692 735	2 922 010
The total amount of this provision is R2 692 735 and consist of:		
Taxes	-	-
Other	2 692 735	2 922 010
Total Provision for Bad Debts on Trade Receivables from non-exchange transactions	2 692 735	2 922 010
The provision for doubtful debts on debtors (loans and receivables) exists due to the possibility that not all debts will be recovered. Loans and receivables were assessed individually and grouped together at the Statement of Financial Position date as financial assets with similar credit risk characteristics and collectively assessed for impairment.		
17 OPERATING LEASE ARRANGEMENTS		
17.1 The Municipality as Lessor		
Straight-line of Operating Leases	28 089	10 023
Balance on 30 June	28 089	10 023
<u>Reconciliation</u>		
Balance on 1 July	10 023	-
Movement during the year	(10 023)	10 023
Balance on 30 June	-	10 023
At the Statement of Financial Position date, where the municipality acts as a lessor under operating leases, it will receive operating lease income as follows:		
Up to 1 Year	59 645	59 646
1 to 5 Years	538 583	238 583
More than 5 Years	178 938	238 583
Total Operating Lease Arrangements	777 166	536 812
This operating lease income determined from contracts that have a specific condition income. Property is rent at market related tariffs with a annual increase of 10%. The operating lease agreement expires in December 2018.		
18 CASH AND CASH EQUIVALENTS		
18.1 <u>Assets</u>		
Call Investments Deposits	71 985 747	54 883 783
Primary Bank Account	4 798 801	7 013 050
Cash Floats	755	755
Total Cash and Cash Equivalents - Assets	76 785 303	61 897 588

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 R	2009 R
18.2 Liabilities		
Primary Bank Account	-	-
Total Cash and Cash Equivalents - Liabilities	-	-
Cash and cash equivalents comprise cash held and short term deposits. The carrying amount of these assets approximates their fair value.		
Call Investments Deposits to an amount of R16 615 904 are held to fund the Unspent Conditional Grants (2009: R15 756 434).		
The municipality has the following bank accounts:		
Current Accounts		
ABSA Bank Limited - Account Number 2210000014 (Primary Bank Account):	4 798 801	7 013 050
	4 798 801	7 013 050
ABSA Bank Limited - Account Number 2210000014 (Primary Bank Account):		
Cash book balance at beginning of year	7 013 050	9 105 868
Cash book balance at end of year	4 798 801	7 013 050
Bank statement balance at beginning of year	7 107 332	4 892 844
Bank statement balance at end of year	5 308 833	7 107 332
ABSA Bank Limited - Account Number 2218151720 (Capital Replacement Reserve):		
Cash book balance at beginning of year	1 836 325	3 202 712
Cash book balance at end of year	2 000	1 836 325
Bank statement balance at beginning of year	1 836 325	3 202 712
Bank statement balance at end of year	2 000	1 836 325
BOE Bank - Account Number NAMA001/83 (Call Deposit):		
ABSA Bank Limited - Account Number 90 6918 2890 (Call Deposit):		
ABSA Bank Limited - Account Number 20 6629 1015 (Call Deposit):		
ABSA Bank Limited - Account Number 20 7051 8265 (Call Deposit):		
Cash book balance at beginning of year	36 520 285	26 008 914
Cash book balance at end of year	54 010 190	36 520 285
Bank statement balance at beginning of year	36 520 285	26 008 914
Bank statement balance at end of year	54 010 190	36 520 285
ABSA Bank Limited - Account Number 90 7473 1242 (Leave Reserve):		
Cash book balance at beginning of year	600 368	600 368
Cash book balance at end of year	1 355 850	600 368
Bank statement balance at beginning of year	600 368	600 368
Bank statement balance at end of year	1 355 850	600 368
ABSA Bank Limited - Account Number 91 1091 2063 (Finance Management Grant):		
Cash book balance at beginning of year	568 764	1 049 965
Cash book balance at end of year	125 741	568 764
Bank statement balance at beginning of year	568 764	1 049 965
Bank statement balance at end of year	125 741	568 764
ABSA Bank Limited - Account Number 16 2814 9972 (Middelpos Account):		
Cash book balance at beginning of year	21 240	21 240
Cash book balance at end of year	-	21 240
Bank statement balance at beginning of year	21 240	21 240
Bank statement balance at end of year	-	21 240
Nuweveld Coop (Members Interest Fund):		
Cash book balance at beginning of year	1 804	1 804
Cash book balance at end of year	1 804	1 804
Bank statement balance at beginning of year	1 804	1 804
Bank statement balance at end of year	1 804	1 804
ABSA Bank Limited - Account Number 22 1815 8326 (Contingency Fund):		
Cash book balance at beginning of year	938 463	1 273 754
Cash book balance at end of year	917 927	938 463
Bank statement balance at beginning of year	938 463	1 273 754
Bank statement balance at end of year	917 927	938 463
ABSA Bank Limited - Account Number 91 0726 5605 (MSIG):		
Cash book balance at beginning of year	1 546 595	2 010 495
Cash book balance at end of year	184 599	1 546 595
Bank statement balance at beginning of year	1 546 595	2 010 495
Bank statement balance at end of year	184 599	1 546 595
ABSA Bank Limited - Account Number 92 1213 8319 (Sport Development Grant):		
Cash book balance at beginning of year	17 700	100 000
Cash book balance at end of year	-	17 700
Bank statement balance at beginning of year	17 700	100 000
Bank statement balance at end of year	-	17 700
ABSA Bank Limited - Account Number 91 0726 5752 (Nieuwoudtville Access Road):		
Cash book balance at beginning of year	126 312	126 312
Cash book balance at end of year	-	126 312
Bank statement balance at beginning of year	126 312	126 312
Bank statement balance at end of year	-	126 312

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 R	2009 R
ABSA Bank Limited - Account Number 91 9251 2118 (Swartzkop Sportgrounds):		
Cash book balance at beginning of year	207 475	207 475
Cash book balance at end of year	207 475	207 475
Bank statement balance at beginning of year	207 475	207 475
Bank statement balance at end of year	207 475	207 475
ABSA Bank Limited - Account Number 91 9251 2477 (Spoegrivier Sportgrounds):		
Cash book balance at beginning of year	5 290	207 528
Cash book balance at end of year	5 290	5 290
Bank statement balance at beginning of year	5 290	207 528
Bank statement balance at end of year	5 290	5 290
ABSA Bank Limited - Account Number 91 0726 6025 (Richtersveld Special Fund):		
Cash book balance at beginning of year	40 713	38 224
Cash book balance at end of year	92 263	40 713
Bank statement balance at beginning of year	40 713	38 224
Bank statement balance at end of year	92 263	40 713
ABSA Bank Limited - Account Number 91 4340 6867 (EPWP):		
Cash book balance at beginning of year	135 792	135 792
Cash book balance at end of year	135 792	135 792
Bank statement balance at beginning of year	135 792	135 792
Bank statement balance at end of year	135 792	135 792
ABSA Bank Limited - Account Number 91 0726 7005 (IDP):		
Cash book balance at beginning of year	256 167	86 368
Cash book balance at end of year	420 906	256 167
Bank statement balance at beginning of year	256 167	86 268
Bank statement balance at end of year	420 906	256 167
ABSA Bank Limited - Account Number 91 0726 7128 (Fencing):		
Cash book balance at beginning of year	42 555	42 555
Cash book balance at end of year	42 555	42 555
Bank statement balance at beginning of year	42 555	42 555
Bank statement balance at end of year	42 555	42 555
ABSA Bank Limited - Account Number 91 0726 7209 (Kamiesberg Special Fund):		
Cash book balance at beginning of year	126 794	186 494
Cash book balance at end of year	146 055	126 794
Bank statement balance at beginning of year	126 794	186 494
Bank statement balance at end of year	146 055	126 794
ABSA Bank Limited - Account Number 91 0726 7306 (Border Fencing):		
Cash book balance at beginning of year	54 239	54 239
Cash book balance at end of year	54 239	54 239
Bank statement balance at beginning of year	54 239	54 239
Bank statement balance at end of year	54 239	54 239
ABSA Bank Limited - Account Number 91 0726 7372 (SA Projects):		
Cash book balance at beginning of year	206 423	98 654
Cash book balance at end of year	205 909	206 423
Bank statement balance at beginning of year	206 423	98 654
Bank statement balance at end of year	205 909	206 423
ABSA Bank Limited - Account Number 90 7473 1365 (Maintenance Fund):		
Cash book balance at beginning of year	22 233	22 233
Cash book balance at end of year	22 233	22 233
Bank statement balance at beginning of year	22 233	22 233
Bank statement balance at end of year	22 233	22 233
ABSA Bank Limited - Account Number 91 0726 7770 (Sakrivier Bridge):		
Cash book balance at beginning of year	730 347	730 347
Cash book balance at end of year	512 623	730 347
Bank statement balance at beginning of year	730 347	730 347
Bank statement balance at end of year	512 623	730 347
ABSA Bank Limited - Account Number 91 0726 5485 (Komaggas Tar Road):		
Cash book balance at beginning of year	4 371	4 371
Cash book balance at end of year	4 371	4 371
Bank statement balance at beginning of year	4 371	4 371
Bank statement balance at end of year	4 371	4 371
ABSA Bank Limited - Account Number 91 0809 6615 (Namakwa Sanitation Bucket System):		
Cash book balance at beginning of year	239 583	269 797
Cash book balance at end of year	213 395	239 583
Bank statement balance at beginning of year	239 583	269 797
Bank statement balance at end of year	213 395	239 583

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 R	2009 R
ABSA Bank Limited - Account Number 91 8438 7915 (Fire Equipment Grant):		
Cash book balance at beginning of year	345 975	325 223
Cash book balance at end of year	307 515	345 975
Bank statement balance at beginning of year	345 975	325 223
Bank statement balance at end of year	307 515	345 975
ABSA Bank Limited - Account Number 91 0809 6924 (PIMMS):		
Cash book balance at beginning of year	573 824	478 134
Cash book balance at end of year	1 439 759	573 824
Bank statement balance at beginning of year	573 824	478 134
Bank statement balance at end of year	1 439 759	573 824
ABSA Bank Limited - Account Number 91 0991 1123 (Department of Transport):		
Cash book balance at beginning of year	6 725 248	17 818 261
Cash book balance at end of year	4 336 122	6 725 248
Bank statement balance at beginning of year	6 725 248	17 818 261
Bank statement balance at end of year	4 336 122	6 725 248
ABSA Bank Limited - Account Number 91 1641 4273 (Drought Relief):		
Cash book balance at beginning of year	749 032	1 163 844
Cash book balance at end of year	357 262	749 032
Bank statement balance at beginning of year	749 032	1 163 844
Bank statement balance at end of year	357 262	749 032
ABSA Bank Limited - Account Number 91 1931 2230 (Electronic Filing System):		
Cash book balance at beginning of year	15 227	15 227
Cash book balance at end of year	15 227	15 227
Bank statement balance at beginning of year	15 227	15 227
Bank statement balance at end of year	15 227	15 227
ABSA Bank Limited - Account Number 91 2120 8647 (Training Fund SETA):		
Cash book balance at beginning of year	447 808	353 845
Cash book balance at end of year	537 418	447 808
Bank statement balance at beginning of year	447 808	353 845
Bank statement balance at end of year	537 418	447 808
ABSA Bank Limited - Account Number 91 2287 0758 (MIG):		
Cash book balance at beginning of year	1 691 020	987 878
Cash book balance at end of year	6 306 104	1 691 020
Bank statement balance at beginning of year	1 691 020	987 878
Bank statement balance at end of year	6 306 104	1 691 020
ABSA Bank Limited - Account Number 91 2356 3504 (Work for Water):		
Cash book balance at beginning of year	72 915	4 932
Cash book balance at end of year	12 228	72 915
Bank statement balance at beginning of year	72 915	4 932
Bank statement balance at end of year	12 228	72 915
ABSA Bank Limited - Account Number 91 3889 8455 (Brandvlei Electricity Network):		
Cash book balance at beginning of year	12 896	12 896
Cash book balance at end of year	12 896	12 896
Bank statement balance at beginning of year	12 896	12 896
Bank statement balance at end of year	12 896	12 896

19 PROPERTY RATES

Actual

Rateable Land and Buildings

Less: Rebates

Total Assessment Rates

Valuations - 1 July 2009

Rateable Land and Buildings

Agricultural Purposes
State - National/ Provincial Services
Municipal Property

Total Assessment Rates

906 718	-
(523 545)	-
383 173	-
765 204 411	-
740 423 399	-
14 185 512	-
10 595 500	-
765 204 411	-

Assessment Rates are levied on the value of land and improvements, which valuation is performed every 4 years. The last valuation came into effect on 1 July 2009. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions and also to accommodate growth in the rate base due mostly to private development.

Basic Rate

Agricultural

0.267c/R

Rates are levied annually and monthly. Monthly rates are payable by the 20th of the following month and annual rates are payable before 30 September.

Rebates were as follows:

75% of the total value of the property and an additional 25% of the remaining value, after deduction of the 75%.

Rebates can be defined as any income that the Municipality is entitled by law to levy, but which has subsequently been forgone by way of rebate or remission.

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 R	2009 R
20 GOVERNMENT GRANTS AND SUBSIDIES		
RSC Levies Replacement Grants	22 142 000	20 250 870
Equitable Share	2 846 812	3 330 000
Councillors Remuneration Grant	694 000	-
Subsidies	2 260 188	759 000
Other - Operating Grants	24 950 867	28 331 514
Other - Capital Grants	-	1 692 258
Total Government Grants and Subsidies	52 893 867	54 363 642
21 OTHER REVENUE FROM NON-EXCHANGE TRANSACTIONS		
Sundries	10 479	16 483
Total Other Revenue from Non-Exchange Transactions	10 479	16 483
22 RENTAL OF FACILITIES AND EQUIPMENT		
Rental of facilities	592 074	507 166
Total Rental of Facilities and Equipment	592 074	507 166
23 INTEREST EARNED - EXTERNAL INVESTMENTS		
Bank	2 125	315 439
Financial assets	3 680 530	5 228 437
Total Interest Earned - External Investments	3 682 655	5 543 876
24 INTEREST EARNED - OUTSTANDING RECEIVABLES		
Long-term Receivables		
Trade Receivables		
Other Receivables		166
Total Interest Earned - Outstanding Receivables	-	166
25 OTHER INCOME		
Admin Fees	298 598	221 369
Bad Debt Recovered	3 414	77 974
Sundries	328 515	502 013
Insurance Claims	12 794	-
Total Other Income	643 320	801 355
26 EMPLOYEE RELATED COSTS		
Employee Related Costs - Salaries and Wages	15 411 279	12 884 266
Employee Related Costs - Contributions for UIF, Pensions and Medical Aids	3 624 901	4 077 048
Travel, Motor Car, Accommodation, Subsistence and Other Allowances	1 111 892	1 139 621
Housing Benefits and Allowances	578 983	564 449
Overtime Payments	336 033	290 082
Bonuses	1 185 822	919 059
Contribution to provision - Long Service Awards - Note 4	(735 804)	(687 133)
Contribution to provision - Post Retirement Medical - Note 4	26 599	(2 707)
	21 539 706	19 184 685
Less: Employee Costs allocated elsewhere	-	-
Total Employee Related Costs	21 539 706	19 184 685

The Cape Joint Pension Fund and Cape Joint Retirement Fund comprises a defined benefit section and a defined contribution section as disclosed in note 4.3. A single payment is made each month to each fund and information is not available to distinguish between which part of the payment relates to the defined benefit section or the defined contribution section.

KEY MANAGEMENT PERSONNEL

Key management personnel are all appointed on 5-year fixed contracts. There are no post-employment or termination benefits payable to them at the end of the contract periods.

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 R	2009 R
REMUNERATION OF KEY MANAGEMENT PERSONNEL		
<i>Remuneration of the Municipal Manager</i>		
Annual Remuneration	242 221	241 085
Car, Medical, House and Cellphone Allowance	146 581	141 767
Severage Package	450 000	-
Service Bonus	-	13 297
Contributions to UIF, Medical and Pension Funds	32 498	54 239
Total	871 300	450 388
<i>Remuneration of the Chief Financial Officer</i>		
Annual Remuneration	425 964	425 574
Car, Medical, House and Cellphone Allowance	207 837	219 789
Service Bonus	51 372	31 412
Contributions to UIF, Medical and Pension Funds	83 560	136 984
Total	768 733	813 759
<i>Remuneration of Internal Auditor</i>		
Annual Remuneration	303 624	345 296
Car, Medical, House and Cellphone Allowance	148 846	149 868
Service Bonus	24 742	22 391
Contributions to UIF, Medical and Pension Funds	93 685	84 343
Total	570 897	601 898
<i>Remuneration of Head of Human Resources</i>		
Annual Remuneration	277 440	296 995
Car, Medical, House and Cellphone Allowance	108 126	105 107
Study Fees	-	3 900
Service Bonus	22 608	20 460
Contributions to UIF, Medical and Pension Funds	54 962	50 019
Total	463 136	476 481
<i>Remuneration of Head of Environmental Health</i>		
Annual Remuneration	303 624	281 916
Car, Medical, House and Cellphone Allowance	151 701	195 968
Service Bonus	24 742	22 391
Contributions to UIF, Medical and Pension Funds	91 857	82 459
Total	571 925	582 734
<i>Remuneration of Head of Roads</i>		
Annual Remuneration	-	252 609
Car, Medical, House and Cellphone Allowance	-	119 247
Service Bonus	-	6 835
Contributions to UIF, Medical and Pension Funds	-	60 507
Total	-	439 198
<i>Remuneration of Head of PIMMS</i>		
Annual Remuneration	522 468	510 542
Car, Medical, House and Cellphone Allowance	3 250	3 000
Acting Allowance (Municipal Manager)	190 066	-
Service Bonus	-	-
Contributions to UIF, Medical and Pension Funds	-	-
Total	715 784	513 542
<i>Remuneration of former Head of Projects</i>		
Annual Remuneration	277 440	280 049
Car, Medical, House and Cellphone Allowance	120 303	118 027
Service Bonus	22 608	20 460
Contributions to UIF, Medical and Pension Funds	78 401	65 390
Total	498 752	483 926
<i>Remuneration of current Head of Projects</i>		
Annual Remuneration	170 194	-
Car, Medical, House and Cellphone Allowance	75 776	-
Service Bonus	-	-
Contributions to UIF, Medical and Pension Funds	44 061	-
Total	290 031	-

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 R	2009 R
<i>Remuneration of Head of Administration</i>		
Annual Remuneration	277 440	252 223
Car, Medical, House and Cellphone Allowance	118 085	115 087
Service Bonus	22 608	8 317
Contributions to UIF, Medical and Pension Funds	64 004	57 484
Total	482 137	433 111
27 REMUNERATION OF COUNCILLORS		
Mayor	416 256	358 291
Speaker	333 004	316 038
Councillors	886 424	909 436
Travelling allowance	540 476	496 542
Telephone allowance	106 916	53 910
Total Councillors' Remuneration	2 283 077	2 134 217
<i>In-kind Benefits</i>		
The Executive Mayor and Speaker are full-time Councillors. Each is provided with an office and secretarial support at the cost of the Municipality. The Executive Mayor may utilise official Council transportation when engaged in official duties.		
<i>Certification by the Municipal Manager</i>		
I certify that the remuneration of Councillors and in-kind benefits are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.		
.....		
Signed: Municipal Manager		
28 DEBT IMPAIRMENT		
Other Receivables from non-exchange transactions	-	2 818 661
Total Contribution to Bad Debts Provision	-	2 818 661
29 DEPRECIATION AND AMORTISATION		
Property, plant and equipment	1 336 541	1 286 168
Intangible assets	143 707	-
Total Depreciation and Amortisation	1 480 248	1 286 168
30 FINANCE COSTS		
Long-term Liabilities	677 597	739 996
Post-Retirement Employee Benefits	1 347 522	1 663 710
Total Finance Costs	2 025 119	2 403 706
31 GRANTS AND SUBSIDIES PAID		
Grants paid to Local Municipalities	5 848 652	1 961 588
Total Grants and Subsidies	5 848 652	1 961 588

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	R	R
32 GENERAL EXPENSES		
Administration Costs	299 881	661 815
Advertisement	215 927	283 300
Audit Fees	862 285	680 000
Bank Charges	81 530	87 579
Congress Fees	26 267	21 365
Contractors Services	50 882	135 176
Entertainment and Receptions	93 234	66 669
Exhibitions	79 493	79 064
Fuel Cost	2 003 845	2 813 869
Insurance	105 522	100 183
Legal Fees	554 904	152 963
Licences	68 266	100 838
Materials/Toxins	399 607	297 120
Membership Fees/Subscriptions	256 868	134 416
Municipal Services	698 132	450 203
Protective Clothing	37 206	41 142
Printing and Stationary	144 226	122 430
Rent	75 634	5 768
Projects	2 712 746	1 917 278
Sundries	868 325	1 014 835
Telephone and Postage	595 658	469 738
Travelling Costs	1 205 476	1 138 413
Training Fees	283 383	262 221
Total General Expenses	11 719 297	11 036 384
33 GAIN/ (LOSS) ON SALE OF ASSETS		
Property, plant and equipment	(117 268)	79 013
Total Gain/ (Loss) on Sale of Assets	(117 268)	79 013
34 (IMPAIRMENT LOSS)/ REVERSAL OF IMPAIRMENT LOSS		
Property, Plant and Equipment	-	-
Total (Impairment Loss)/ Reversal of Impairment Loss	-	-
35. CORRECTION OF ERROR IN TERMS OF GRAP 3		
35.1 Non-Current Employee Benefits		
Balance previously reported		-
Implementation of GRAP		
Post-Retirement Health Care Benefits - Note 4	-	14 348 468
Balance on 1 July	-	14 691 468
Current Service Cost	-	187 499
Interest Cost	-	1 565 891
Benefits Paid	-	(874 632)
Actuarial Gain	-	(1 221 758)
Long Service Awards - Note 4	-	1 014 462
Balance on 1 July	-	957 523
Current Service Cost	-	122 019
Interest Cost	-	97 819
Benefits Paid	-	(124 726)
Actuarial Gain	-	(38 173)
Restated Balance	-	15 362 930

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

35.2 Property, Plant and Equipment

Balance previously reported	-	10 219 484
Items of Property, Plant and Equipment not previously recognised - Note 10.1	-	426 906
Cost	-	1 349 011
Accumulated Depreciation	-	(922 105)
Restated Balance	-	10 646 390
Cost	-	22 535 400
Accumulated Depreciation	-	(11 889 010)

35.3 Intangible Assets

Balance previously reported	-	1 384 615
Items of Intangible Assets not previously recognised - Note 12	-	1 384 615
Cost	-	1 800 001
Accumulated Amortisation	-	(415 386)
Restated Balance	-	2 769 230
Cost	-	3 982 359
Accumulated Amortisation	-	(1 213 129)

35.4 Other Receivables from non-exchange transactions

Balance previously reported	-	435 957
Agency Services onbehalf of Department of Transport not recognised in 2008/2009 - Note 16	-	2 787 577
Working-for-Water Debtor incorrectly recognised - Note 16	-	(192 266)
Restated Balance	-	3 031 268

35.5 Unspent Government Grants and Receipts

Balance previously reported	-	16 256 434
Transfer to Other Creditors - Project Work-for-Water incorrectly disclosed as unspent grants - Note 7.1	-	(72 915)
Restated Balance	-	16 183 519

35.6 Trade Payables

Balance previously reported	-	3 780 298
Transfer from Unspent Grants and Receipts - Project Work-for-Water incorrectly disclosed as unspent grants - Note 6	-	72 915
Restated Balance	-	3 853 213

35.7 Accumulated Surplus/(Deficit) - 1 July 2008

Items of Property, Plant and Equipment not previously recognised - Note 35.2	-	426 906
Items of Intangible Assets not previously recognised - Note 35.3	-	1 384 615
Non-current Employee Benefits - Post-Retirement Health Care Benefits recognised - Note 35.1	-	(14 691 468)
Non-current Employee Benefits - Long-Service Awards recognised - Note 35.1	-	(957 523)
Working-for-Water Debtor incorrectly recognised - Note 16	-	(192 266)
Total	-	(14 029 736)

35.8 Accumulated Surplus/(Deficit) - 2008/2009

	2010 R	2009 R
Agency Services onbehalf of Department of Transport not recognised in 2008/2009 - Note 35.4	-	2 787 577
Current Service Cost recorded - Note 35.1	-	(309 518)
Interest Cost recorded - Note 35.1	-	(1 663 710)
Benefits Paid reallocated - Note 35.1	-	999 358
Actuarial Gain recognised - Note 35.1	-	1 259 931
Total	-	3 073 638

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

40 BUDGET COMPARISONS

	2010 Actual R	2010 Budget R	2010 Variance R	2010 Variance %
40.1 <u>Operational Budget by source/type</u>				
Revenue by source				
Property rates	383 173	380 000	3 173	0.84%
Property rates - penalties & collection charges	-	-	-	
Service charges - electricity revenue	-	-	-	
Service charges - water revenue	-	-	-	
Service charges - sanitation revenue	-	-	-	
Service charges - refuse revenue	-	-	-	
Service charges - other	-	-	-	
Rental of facilities and equipment	592 074	6 903 954	(6 311 880)	-91.42%
Interest earned - external investments	3 682 655	2 850 000	832 655	29.22%
Interest earned - outstanding debtors	-	1 000	(1 000)	-100.00%
Dividends received	-	-	-	
Fines	-	20 000	(20 000)	-100.00%
Actuarial Gain	345 951	-	345 951	100.00%
Agency services	2 294 478	1 280 000	1 014 478	79.26%
Transfers recognised - operational	52 893 867	83 410 821	(30 516 954)	-36.59%
Transfers recognised - capital	-	-	-	
Other revenue	653 799	111 600	542 199	485.84%
Gains on disposal of PPE	(117 268)	40 000	(157 268)	-393.17%
Total Revenue (excluding capital transfers and contributions)	60 728 730	94 997 375	(34 268 645)	-36.07%
	2010 Actual R	2010 Budget R	2010 Variance R	2010 Variance %
Expenditure by Type				
Employee related costs	21 539 706	25 795 933	(4 256 228)	-16.50%
Remuneration of councillors	2 283 077	5 547 722	(3 264 645)	-58.85%
Debt Impairment	-	-	-	0.00%
Depreciation & asset impairment	1 480 248	467 850	1 012 398	216.39%
Finance charges	2 025 119	750 000	1 275 119	170.02%
Actuarial Loss	18 564	-	18 564	
Repair and Maintenance	1 880 370	2 593 500	(713 130)	-27.50%
Contracted services	-	-	-	
Transfers and grants	14 788 696	33 869 574	(19 080 878)	-56.34%
Other expenditure	11 719 297	36 180 875	(24 461 579)	-67.61%
Loss on disposal of PPE	-	-	-	
Total Expenditure	55 735 075	105 205 454	(49 470 379)	-47.02%
Surplus/(Deficit) for the year	4 993 655	(10 208 079)	15 201 734	-148.92%

Details of material variances

Projects funded by Government Grants and Subsidies started after year-end

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 Actual R	2010 Budget R	2010 Variance R	2010 Variance %
40.2 Operational Budget by Standard Classification				
<u>Revenue - Standard</u>				
Governance and Administration				
Executive and council	2 303 190	8 818 149	(6 514 959)	-73.88%
Budget and Treasury Office	25 246 246	30 615 827	(5 369 581)	-17.54%
Corporate Services	1 485 642	1 153 629	332 013	28.78%
Community and Public Safety				
Community and Social Services	-	-	-	
Sport and Recreation	-	-	-	
Public Safety	1 183 705	1 681 598	(497 893)	-29.61%
Housing	-	-	-	
Health	-	-	-	
Economic and Environmental Services				
Planning and Development	8 631 576	21 733 978	(13 102 402)	-60.29%
Road Transport	20 609 850	29 609 006	(8 999 156)	-30.39%
Environmental Protection	1 385 188	1 385 188	-	0.00%
Trading Services				
Electricity	600	-	600	
Water	-	-	-	
Waste Water Management	-	-	-	
Waste Management	-	-	-	
Other	-	-	-	
Total Revenue	60 845 998	94 997 375	(34 151 377)	-35.95%
	2010 Actual R	2010 Budget R	2010 Variance R	2010 Variance %
<u>Expenditure - Standard</u>				
Governance and Administration				
Executive and council	12 808 075	22 085 098	(9 277 023)	-42.01%
Budget and Treasury Office	4 089 973	4 947 214	(857 241)	-17.33%
Corporate Services	5 955 079	6 343 531	(388 452)	-6.12%
Community and Public Safety				
Community and Social Services	-	-	-	
Sport and Recreation	-	-	-	
Public Safety	2 055 983	2 551 431	(495 448)	-19.42%
Housing	-	-	-	
Health	49 879	52 000	(2 121)	-4.08%
Economic and Environmental Services				
Planning and Development	7 546 534	35 027 263	(27 480 729)	-78.46%
Road Transport	20 672 121	29 609 006	(8 936 885)	-30.18%
Environmental Protection	2 571 351	2 769 911	(198 560)	-7.17%
Trading Services				
Electricity	98 550	795 000	(696 450)	-87.60%
Water	4 798	565 000	(560 202)	-99.15%
Waste Water Management	-	260 000	(260 000)	-100.00%
Waste Management	-	200 000	(200 000)	-100.00%
Other	-	-	-	
Total Expenditure	55 852 343	105 205 454	(49 353 111)	-46.91%
	4 993 655	(10 208 079)	15 201 734	-148.92%
Surplus/(Deficit) for the year				
<u>Details of material variances</u>				

Projects funded by Government Grants and Subsidies started after year-end

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 Actual R	2010 Budget R	2010 Variance R	2010 Variance %
40.3 Capital Expenditure by Standard Classification				
Governance and Administration				
Executive and council	245 473	50 500	194 973	386.09%
Budget and Treasury Office	236 842	270 500	(33 658)	-12.44%
Corporate Services	1 667 411	2 067 500	(400 089)	-19.35%
Community and Public Safety				
Community and Social Services	-	-	-	
Sport and Recreation	-	-	-	
Public Safety	427 339	495 000	(67 661)	-13.67%
Housing	-	-	-	
Health	-	-	-	
Economic and Environmental Services				
Planning and Development	59 569	68 000	(8 431)	-12.40%
Road Transport	-	21 000	(21 000)	-100.00%
Environmental Protection	48 225	55 200	(6 975)	-12.64%
Trading Services				
Electricity	-	-	-	
Water	-	-	-	
Waste Water Management	-	-	-	
Waste Management	-	-	-	
Other	-	-	-	
Total Capital Expenditure	2 684 859	3 027 700	(342 841)	-11.32%

Details of material variances

Lease Assets not included in capital budget

41. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

41.1 Unauthorised expenditure

Reconciliation of unauthorised expenditure:

Opening balance	815 434	-
Unauthorised expenditure current year	-	815 434
Approved by Council or condoned	-	-
Transfer to receivables for recovery	-	-
Unauthorised expenditure awaiting authorisation	815 434	815 434

Incident	Amount	Disciplinary steps/criminal proceedings
<i>Payments made to suppliers where Supply Chain Regulations were not adhered to:</i>		
GL en Ryk Konstuksie CC	R 5 000	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
Zamakulueisa	R 53 050	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
Payments made to Uluntu Valuations that exceeds tender price	R 757 384	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
Total Unauthorised Expenditure	R 815 434	

41.2 Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure:

Opening balance	1 530 457	-
Fruitless and wasteful expenditure current year	-	1 530 457
Condoned or written off by Council	-	-
Transfer to receivables for recovery - not condoned	-	-
Fruitless and wasteful expenditure awaiting condonement	1 530 457	1 530 457

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Incident	Amount	Disciplinary steps/criminal proceedings
<i>Payments made to suppliers</i>		
LEP Pad en Bou Konstruksie	R 355 000	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
GL en Ryk Konstruksie CC	R 300 100	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
Zamakulueisa	R 256 000	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
SJ Boudienste	R 130 000	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
Nama North Development	R 350 000	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
Expenditure i.r.o maintenance to Buffelsrivier Road	R 139 357	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
Total Fruitless and wasteful expenditure	R 1 530 457	

41.3 Irregular expenditure

Reconciliation of irregular expenditure:

Opening balance

Irregular expenditure current year

Condoned or written off by Council

Recovered during the year (payment to Mayor)

Correction of Error - Note 35.4

Transfer to receivables for recovery - not condoned

Irregular expenditure awaiting condonement

2010 R	2009 R
6 204 215	-
312 928	6 204 215
(1 818)	-
(192 266)	-
-	-
6 323 059	6 204 215

Incident	Amount	Action taken
<i>Overpayment of travel allowance to Mayor</i>	R -	The amount was recovered during the year
<i>Payments made to suppliers</i>		
Adv. LJ Krige	R 124 030	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
BVI Informasie & Kommunikasie Tegnologie	R 121 847	Payment was rectified
Kebble Engineering	R 621 620	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
LEP Pad en Bou Konstruksie	R 600 000	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
GL en Ryk Konstruksie CC	R 496 400	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
Zamakulueisa	R 256 000	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
SJ Boudienste	R 130 000	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
Nama North Development	R 3 269 228	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
Varios suppliers i.r.o. maintenance to COPE House	R 129 373	Disciplinary action was taken against the Technical Officer: Repairs and Maintenance. The CFO was suspended, a forensic investigation took place and legal proceedings are in process.
Mubesko Africa	R 380 142	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
D.A.R Technical Services	R 55 062	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
Expenditure i.r.o maintenance to Buffelsrivier Road	R 139 357	The municipal manager, CFO and the Head of Roads were suspended, a forensic investigation took place and legal proceedings are in process.
Prepayments made to contractors for Work for Water projects	R -	Amount incorrectly disclosed in prior year (Based on audit query)
Total Irregular Expenditure	R 6 323 059	

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 R	2009 R		
42. ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT				
42.1 Contributions to organised local government - [MFMA 125 (1)(b)] - SALGA CONTRIBUTIONS				
Opening balance	53 616	-		
Council subscriptions	151 218	182 796		
Amount paid - current year	(53 616)	(129 180)		
Amount paid - previous years	(151 218)	-		
Balance unpaid (included in creditors)	-	53 616		
42.2 Audit fees - [MFMA 125 (1)(b)]				
Opening balance	38 189	60 539		
Current year audit fee	862 285	680 000		
External Audit - Auditor-General	862 285	680 000		
Internal Audit	-	-		
Audit Committee	-	-		
Amount paid - current year	(862 285)	(641 811)		
Amount paid - previous year	(38 189)	(60 539)		
Balance unpaid (included in creditors)	-	38 189		
42.3 VAT - [MFMA 125 (1)(b)]				
Opening balance	165 381	(153 963)		
Amounts received - current year	(941 730)	(1 230 179)		
Amounts claimed - current year (payable)	1 402 043	1 395 560		
Amount paid - current year	-	153 963		
Amount paid - previous year	-	-		
Closing balance	625 694	165 381		
VAT is payable on the receipt basis. Only once payment is received from the debtors is VAT paid over to SARS. All VAT returns have been submitted by the due date throughout the year.				
42.4 PAYE and UIF - [MFMA 125 (1)(b)]				
Opening balance	-	-		
Current year payroll deductions	3 068 035	2 329 991		
Amount paid - current year	(3 068 035)	(2 329 991)		
Balance unpaid (included in creditors)	-	-		
42.5 Pension and Medical Aid Deductions - [MFMA 125 (1)(b)]				
Opening balance	-	-		
Current year payroll deductions and Council Contributions	7 015 296	5 911 966		
Amount paid - current year	(7 015 296)	(5 911 966)		
Amount paid - previous year	-	-		
Balance unpaid (included in creditors)	-	-		
42.6 Non-compliance with Chapter 14 of the Municipal Finance Management Act				
Non-compliance to the Supply Chain Management Regulations were identified on the following categories:				
	Less than R30,000	Between R30,001 and R200,000	Between R200,001 and R2,000,000	More than R2,000,001
Executive & Council	15 300	77 134	-	-
Corporate Services	-	-	-	-
Community Services	-	-	-	-
Financial Services	-	-	-	-
Technical Services	-	-	-	-
	15 300	77 134	-	-
42.7 Commitments				
Commitments in respect of contracts:				
Supplier	Services	Date awarded	Balance of contract	
Watees Consulting	Disaster Management Policy Framework	31/03/2010	497 485	
Nashua	Rental of photocopiers	01/02/2010	293 425	
43. RETIREMENT BENEFIT INFORMATION				
Council employees contribute to the Cape Joint Municipal Pension Fund and Cape Joint Retirement Fund which is a defined benefit and defined contribution fund. The retirement benefit fund is subject to the Pension Fund Act, 1956, with pension being calculated on the pensionable remuneration paid. Current contributions by Council are charged against expenditure on the basis of current service costs. Full actuarial valuations are performed at least every five years. The last valuation was done on 30 June 2009.				
44. FINANCIAL RISK MANAGEMENT				
The activities of the municipality expose it to a variety of financial risks, including market risk (comprising fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The municipality's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance.				

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

(a) Foreign Exchange Currency Risk

The municipality does not engage in foreign currency transactions.

(b) Price Risk

The municipality is not exposed to price risk.

(c) Interest Rate Risk

As the municipality has significant interest-bearing liabilities, the entity's income and operating cash flows are substantially dependent on changes in market interest rates.

The municipality analyses its potential exposure to interest rate changes on a continuous basis. Different scenarios are simulated which include refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios, the entity calculates the impact that a change in interest rates will have on the surplus/deficit for the year. These scenarios are only simulated for liabilities which constitute the majority of interest bearing liabilities.

The municipality did not hedge against any interest rate risks during the current year.

(d) Credit Risk

Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the Municipality to incur financial loss.

Credit risk arises mainly of cash deposits, cash equivalents, trade and other receivables and unpaid conditional grants and subsidies.

Trade and other receivables are disclosed net after provisions are made for impairment and bad debts. Trade receivables comprise of a large number of ratepayers, dispersed across different sectors and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Credit risk pertaining to trade and other receivables is considered to be moderate due the diversified nature of receivables and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

All rates and services are payable within 30 days from invoice date. Refer to note 16 for all balances outstanding longer than 30 days. These balances represent all debtors at year end which defaulted on their credit terms.

No trade and other receivables are pledged as security for financial liabilities.

The entity only deposits cash with major banks with high quality credit standing. No cash and cash equivalents were pledged as security for financial liabilities and no restrictions were placed on the use of any cash and cash equivalents for the period under review. Although the credit risk pertaining to cash and cash equivalents are considered to be low, the maximum exposure are disclosed below.

The risk pertaining to unpaid conditional grants and subsidies are considered to be very low. Amounts are receivable from national and provincial government and there are no expectation of counter party default.

(e) Liquidity Risk

Liquidity risk is the risk that the municipality will encounter difficulty in raising funds to meet commitments associated with financial liabilities.

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the treasury maintains flexibility in funding by maintaining availability under credit lines.

		2010 R	2009 R
45. FINANCIAL INSTRUMENTS			
In accordance with IAS 39.07 and IAS 39.09 the financial liabilities and assets of the municipality are classified as follows:			
45.1 Financial Assets	Classification		
Investments			
Unlisted Investments	Available for sale	1 146	1 146
Trade Receivables from Non-Exchange Transactions			
Assessment Rates	Loans and Receivables	205 440	-
Sundry Debtors	Loans and Receivables	522 587	3 031 268
Cash and Cash Equivalents			
Bank Balances	Loans and Receivables	4 798 801	7 013 050
Call Deposits	Loans and Receivables	71 985 747	54 883 783
Cash Floats and Advances	Loans and Receivables	755	755
Total Financial Assets		77 514 476	64 930 002

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

		2010 R	2009 R
SUMMARY OF FINANCIAL ASSETS			
Loans and Receivables:			
Trade Receivables from Non-exchange Transactions	Assessment Rates	205 440	-
Trade Receivables from Non-exchange Transactions	Sundry Debtors	522 587	3 031 268
Cash and Cash Equivalents	Bank Balances	4 798 801	7 013 050
Cash and Cash Equivalents	Call Deposits	71 985 747	54 883 783
Cash and Cash Equivalents	Cash Floats and Advances	755	755
		77 513 330	64 928 856
Available for sale:			
Investments	Unlisted Investments	1 146	1 146
		1 146	1 146
Total Financial Assets		77 514 476	64 930 002

45.2 Financial Liabilities

Classification

Long-term Liabilities

Annuity Loans	At amortised cost	3 486 673	4 164 891
Capitalised Lease Liability	At amortised cost	178 186	-
Trade and Other Payables			
Trade Creditors	At amortised cost	2 783 154	307 120
Payments received in advance	At amortised cost	25 365	12 727
Other Creditors	At amortised cost	12 650 229	3 533 366
Current Portion of Long-term Liabilities			
Annuity Loans	At amortised cost	678 218	595 304
Capitalised Lease Liability	At amortised cost	35 401	-
		19 837 225	8 613 408

SUMMARY OF FINANCIAL LIABILITIES

At amortised cost:

Long-term Liabilities	Annuity Loans	3 486 673	4 164 891
Long-term Liabilities	Capitalised Lease Liability	178 186	-
Trade and Other Payables	Trade Creditors	2 783 154	307 120
Trade and Other Payables	Payments received in advance	25 365	12 727
Trade and Other Payables	Other Creditors	12 650 229	3 533 366
Current Portion of long-term liabilities	Annuity Loans	678 218	595 304
Current Portion of long-term liabilities	Capitalised Lease Liability	35 401	-
		19 837 225	8 613 408

46. EVENTS AFTER THE REPORTING DATE

The Municipality is not aware of any events after the reporting date.

47. PRIVATE PUBLIC PARTNERSHIPS

Council has not entered into any private public partnerships during the financial year.

48. CONTINGENT LIABILITY

The municipality did not comply with all the requirements of the CIDB Act where work were performed by contractors. The potential liability for the municipality could be between R100 000 to R500 000 per contract. The contracts, where the requirements of the CIDB Act were not met, could be summarised as follows:

Contract	Payments made i.r.o the contract
Bloukrans/Rooiberg en Loeriesfontein	R 195 670
Bo-Waterdrift - Calvinia	R 195 000
Loeriesfontein/Ganaga Pas	R 190 000
Rooifontein/Kamasies	R 287 950
Vioolsdrif/Rooiwal	R 4 250 000
Okiep Sportgrounds	R 259 892

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

49. RELATED PARTIES

Key Management and Councillors receive and pay for services on the same terms and conditions as other ratepayers.

49.1 Compensation of key management personnel

The compensation of key management personnel is set out in note 26 to the Annual Financial Statements.

50. EXEMPTIONS TAKEN ACCORDING TO DIRECTIVE 4 - TRANSITIONAL PROVISIONS FOR MEDIUM AND LOW CAPACITY MUNICIPALITIES

GRAP 12 Inventories

The municipality opted to take advantage of the transitional provisions as contained in Directive 4 of the Accounting Standards Board, issued in March 2009. Provisional amounts are set at R 0.00 as it might have an effect on other classes of assets such as Property, Plant and Equipment or Agricultural Assets.

The municipality is currently in a process of measuring all inventories in terms of GRAP 12 and it is expected that this process will be completed for inclusion in the 2011 financial statements.

GRAP 16 Investment Properties

The municipality opted to take advantage of the transitional provisions as contained in Directive 4 of the Accounting Standards Board, issued in March 2009. Provisional amounts are set at R 0.00 as it might have an effect on other classes of assets such as Property, Plant and Equipment.

The municipality is currently in a process of identifying and measuring all Investment Properties in terms of GRAP 16 and it is expected that this process will be completed for inclusion in the 2011 financial statements.

GRAP 17 Property, Plant and Equipment

The municipality opted to take advantage of the transitional provisions as contained in Directive 4 of the Accounting Standards Board, issued in March 2009. Provisional amounts are set at R 0.00 as it might have an effect on other classes of assets such as Investment Properties, Intangible Assets or Inventory. The municipality did not measure all the Property, Plant and Equipment in accordance with the standard, including the following:

Land

Small asset items below a R 10 000 threshold previously expensed
Property, Plant and Equipment financed by way of finance leases
Property, Plant and Equipment financed by way of provisions
Property, Plant and Equipment transferred as a result of the transfer of functions
Componentised infrastructure assets.

The municipality is currently in a process of identifying all Property, Plant and Equipment and have it measured in terms of GRAP 17 and it is expected that this process will be completed for inclusion in the 2011 financial statements. The Municipality is in the process of itemizing all infrastructure and community assets and will recalculate accumulated depreciation once this exercise has been completed by 30 June 2011. At present depreciation on these assets is calculated on an averaging basis whereby an average useful life has been estimated for each category of infrastructure and community assets, using global historical costs recorded in the accounting records.

The municipality did not measure the following, in terms of the transitional provisions:

- Review of useful life of item of PPE recognised in the annual financial statements.
- Review of the depreciation method applied to PPE recognised in the annual financial statements.
- Review of residual values of item of PPE recognised in the annual financial statements.
- Impairment of non-cash generating assets.
- Impairment of cash generating assets.

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

2010
R

2009
R

GRAP 100 Non-Current Assets Held for Sale and Discontinued Operations

The municipality opted to take advantage of the transitional provisions as contained in Directive 4 of the Accounting Standards Board, issued in March 2009. The municipality did not recognise non-current assets held for sale and discontinued operations relating to Inventories, Investment Properties, Property, Plant and Equipment, Agriculture and Intangible Assets which are not recognised or measured in terms of the transitional provisions relating to those standards.

GRAP 102 Intangible Assets

The municipality opted to take advantage of the transitional provisions as contained in Directive 4 of the Accounting Standards Board, issued in March 2009. Provisional amounts are set at R 0.00 as it might have an effect on other classes of assets such as Property, Plant and Equipment.

Computer Software
Intangible assets financed by way of finance leases
Intangible assets transferred as a result of the transfer of functions
Servitudes

The municipality is currently in a process of measuring all Intangible Assets in terms of GRAP 102 and it is expected that this process will be completed for inclusion in the 2011 financial statements.

51. PROCESS TO COMPLY FULLY WITH THE IMPLEMENTATION OF GENERAL RECOGNISED ACCOUNTING PRACTICES (GRAP)

The municipality adopted a phased-in approach in order to comply fully with the implementation of GRAP. The municipality is classified by the National Treasury as a medium capacity municipality and must comply with GRAP by 30 June 2011. The municipality, however, took advantage of transitional provisions and implement GRAP at an earlier date in order to ensure more reliable financial reporting.

52. STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the municipality:

Standard	Description	Effective Date
GRAP 18	Segment Reporting Information to a large extent is already included in Appendix D of the annual financial statements. When the Standard becomes effective the information will form part of the audited financial statements.	Unknown
GRAP 21	Impairment of non-cash-generating assets The municipality complies with IPSAS 21 which forms part of the GRAP Framework in terms of Directive 5. Minimal adjustments will be required to the financial statements.	Unknown
GRAP 23	Revenue from Non-Exchange Transactions (Taxes and Transfers) The Municipality has already changed its structure of the financial statements and accounting policy to be in line with GRAP 23. Minimal adjustments will be required to the financial statements.	Unknown
GRAP 24	Presentation of Budget Information in Financial Statements Information to a large extent is already included in Appendix E(1) and E(2) of the annual financial statements. When the Standard becomes effective the information will form part of the audited financial statements.	Unknown
GRAP 26	Impairment of cash-generating assets The municipality complies with IAS 36 which forms part of the GRAP Framework in terms of Directive 5. Minimal adjustments will be required to the financial statements.	Unknown
GRAP 103	Heritage Assets No adjustments will necessary other than a separate line item in the Statement of Financial Position and the transfer of the values from property, plant and equipment.	Unknown

NAMAKWA DISTRICT MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

53. GOING CONCERN

Management is of the opinion that will municipality will continue to operate as a going concern and perform it's functions as set out in the Constitution.

APPENDIX A
NAMAKWA DISTRICT MUNICIPALITY
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2010

EXTERNAL LOANS	Loan Number	Redeemable	Balance at 30 JUNE 2009	Received during the period	Redeemed written off during the period	Balance at 30 JUNE 2010
ANNUITY LOANS						
DBSA	100126	30/06/2013	2 332 829	-	478 661	1 854 168
DBSA	Various	2018/2019	2 427 366	-	116 643	2 310 723
Total Annuity Loans			4 760 195	-	595 304	4 164 891
LEASE LIABILITY						
Office Equipment	NDM006-460818	30/06/2009	-	226 899	13 312	213 587
Total Lease Liabilities			-	226 899	13 312	213 587
TOTAL EXTERNAL LOANS			4 760 195	226 899	608 616	4 378 478

APPENDIX B
NAMAKWA DISTRICT MUNICIPALITY
ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2010

	Cost/Revaluation					Accumulated Depreciation					Carrying Value
	Opening Balance	Additions	Correction of Error	Impairments/ Disposal	Closing Balance	Opening Balance	Additions	Correction of Error	Impairments/ Disposal	Closing Balance	
Land and Buildings											
Land	-	-	33	-	33	-	-		-	-	33
Buildings	5 729 281	-	522 966	522 963	5 729 284	5 219 611	68 685	522 966	522 963	5 288 299	440 985
	5 729 281	-	522 999	522 963	5 729 317	5 219 611	68 685	522 966	522 963	5 288 299	441 018
Infrastructure											
Drains	-	-	-	-	-	-	-	-	-	-	-
Roads and Streets	-	-	-	-	-	-	-	-	-	-	-
Beach Improvements	-	-	-	-	-	-	-	-	-	-	-
Sewerage Mains and Purification	-	-	-	-	-	-	-	-	-	-	-
Electricity mains	9 080 863	-	-	-	9 080 863	2 118 868	302 695	-	-	2 421 563	6 659 300
Electricity Peak Load equipment	-	-	-	-	-	-	-	-	-	-	-
Water Mains & Purification	-	-	-	-	-	-	-	-	-	-	-
Water Reservoirs	-	-	-	-	-	-	-	-	-	-	-
Water Meters	-	-	-	-	-	-	-	-	-	-	-
Water Mains	-	-	-	-	-	-	-	-	-	-	-
Security Measures	105 417	-	-	-	105 417	18 209	21 083	-	-	39 292	66 125
	9 186 280	-	-	-	9 186 280	2 137 077	323 778	-	-	2 460 855	6 725 425
Community Assets											
Parks and Gardens	-	-	-	-	-	-	-		-	-	-
Libraries	-	-	-	-	-	-	-		-	-	-
Recreation Grounds	-	-	-	-	-	-	-		-	-	-
Civic Buildings	159 133	-	-	-	159 133	159 133	-		-	159 133	-
	159 133	-	-	-	159 133	159 133	-	-	-	159 133	-
Heritage Assets											
	-				-					-	-
Total carried forward	15 074 694	-	522 999	522 963	15 074 730	7 515 821	392 463	522 966	522 963	7 908 287	7 166 443

APPENDIX B
NAMAKWA DISTRICT MUNICIPALITY
ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2010

	Cost/Revaluation					Accumulated Depreciation					Carrying Value
	Opening Balance	Additions	Correction of Error	Impairments	Closing Balance	Opening Balance	Additions	Correction of Error	Impairments	Closing Balance	
Total brought forward	15 074 694	-	522 999	522 963	15 074 730	7 515 821	392 463	522 966	522 963	7 908 287	7 166 443
Lease Assets											
Office Equipment (Lease)	-	226 899	-	-	226 899	-	18 908	-	-	18 908	207 991
Other Assets											
Office Equipment	2 152 266	429 679	661 864	628 524	2 615 285	1 056 473	288 928	328 837	333 448	1 340 790	1 274 495
Furniture and Fittings	1 171 118	46 204	103 408	8 560	1 312 170	273 259	277 750	41 155	4 866	587 298	724 872
Bins and Containers	16 110	-	2 000	-	18 110	3 269	3 534	794	-	7 597	10 513
Plant and Equipment	1 296 121	191 673	49 659	4 711	1 532 742	1 188 005	57 719	24 510	3 126	1 267 108	265 634
Motor Vehicles	1 459 095	1 556 713	-	374 853	2 640 955	924 578	256 367	-	374 853	806 092	1 834 863
Fire Equipment	16 984	164 069	9 081	-	190 134	5 500	6 781	3 843	-	16 124	174 010
Refuse Tankers	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-	-
Councillors Regalia	-	-	-	-	-	-	-	-	-	-	-
Conservancy Tankers	-	-	-	-	-	-	-	-	-	-	-
Water crafts	-	-	-	-	-	-	-	-	-	-	-
	6 111 694	2 388 338	826 012	1 016 648	8 309 396	3 451 084	891 079	399 139	716 293	4 025 009	4 284 387
Total	21 186 388	2 615 237	1 349 011	1 539 611	23 611 025	10 966 905	1 302 450	922 105	1 239 256	11 952 204	11 658 821

APPENDIX C
NAMAKWA DISTRICT MUNICIPALITY
SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2010
GENERAL FINANCE STATISTICS CLASSIFICATION

	Cost/Revaluation					Accumulated Depreciation					Carrying Value
	Opening Balance	Additions	Correction of Error	Impairments/ Disposal	Closing Balance	Opening Balance	Additions	Correction of Error	Impairments/ Disposal	Closing Balance	
Executive Mayor	306 027	-	20 896	192 352	134 571	236 682	21 345	7 860	192 352	73 535	61 036
Mayor: PA	6 228	-	6 797	-	13 025	4 567	2 130	2 653	-	9 350	3 675
Speaker	52 618	-	12 719	-	65 337	26 552	8 563	4 770	-	39 885	25 452
Speaker: Secretary	35 889	-	-	-	35 889	10 047	7 646	-	-	17 693	18 196
Council: Councillors	5 432	-	-	-	5 432	4 889	543	-	-	5 432	-
Council Exp: Admin	6 128 121	226 899	581 937	559 575	6 377 382	5 789 254	139 659	561 312	558 746	5 931 479	445 903
Community Development Officer	-	15 540	-	-	15 540	-	-	-	-	-	15 540
Municipal Manager	116 365	-	-	-	116 365	31 508	28 939	-	-	60 446	55 919
Municipal Manager Admin	54 402	-	-	6 915	47 487	30 063	11 896	-	6 915	35 044	12 443
Deputy Municipal Manager	-	-	-	-	-	-	-	-	-	-	-
Internal Audit	27 785	3 034	-	5 141	25 678	16 930	4 320	-	5 141	16 108	9 570
Administration - Admin	735 698	7 398	10 598	68 220	685 474	213 467	195 341	5 424	58 950	355 281	330 193
Administration - HR	52 291	23 151	14 510	10 340	79 612	21 061	15 413	6 658	9 990	33 142	46 470
Equitable Share	-	-	-	-	-	-	-	-	-	-	-
Manager - Finance	316 072	225 762	372 543	1 367	913 010	103 114	142 536	184 374	734	429 291	483 719
Finance - Income	-	-	-	-	-	-	-	-	-	-	-
Finance - Expenditure	-	-	-	-	-	-	-	-	-	-	-
Safety	246 077	416 733	14 010	2 103	674 717	216 780	19 173	6 549	1 811	240 691	434 026
Head - Economic Development	60 320	-	-	-	60 320	10 305	15 604	-	-	25 909	34 411
Development & Marketing Officer	-	-	-	-	-	-	-	-	-	-	-
Tourism	287 279	-	2 866	131	290 014	54 318	79 679	1 122	44	135 076	154 938
Problem Animal Control	-	-	-	-	-	-	-	-	-	-	-
Head: Socio-Economic Develop	-	-	-	-	-	-	-	-	-	-	-
PIMS	366 563	9 648	21 597	-	397 808	198 193	71 488	9 814	-	279 494	118 314
Head Projects	-	-	-	-	-	-	-	-	-	-	-
Council Buildings	655 513	-	150 286	4 385	801 414	90 449	91 512	68 369	4 385	245 945	555 469
Council Vehicles	2 283 050	1 624 374	-	641 117	3 266 307	1 723 892	255 939	-	374 853	1 604 979	1 661 328
Council Projects	9 422 084	23 906	105 383	67 965	9 483 408	2 180 850	172 914	59 927	45 337	2 368 353	7 115 055
Environmental Health	28 574	38 791	39 602	-	106 967	3 986	15 348	15 848	-	35 182	71 785
Operational and Maintenance	-	-	14 597	-	14 597	-	2 380	7 173	-	9 553	5 044
PMU	-	-	672	-	672	-	84	252	-	336	336
	21 186 388	2 615 236	1 369 013	1 559 611	23 611 026	10 966 906	1 302 451	942 105	1 259 257	11 952 205	11 658 821

APPENDIX D
NAMAKWA DISTRICT MUNICIPALITY
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2010
GENERAL FINANCE STATISTIC CLASSIFICATIONS

2009 Actual Income R	2009 Actual Expenditure R	2009 Surplus/ (Deficit) R		2010 Actual Income R	2010 Actual Expenditure R	2010 Surplus/ (Deficit) R
6 587 864	16 125 857	(9 537 993)	Executive & Council	2 303 190	12 808 075	(10 504 885)
27 710 549	7 742 442	19 968 107	Budget & Treasury Office	25 198 848	4 089 973	21 108 875
-	-	-	Corporate Services	1 485 642	5 955 079	(4 469 437)
10 302 537	8 960 981	1 341 556	Planning & Development	8 631 576	7 546 534	1 085 043
-	-	-	Health	-	49 879	(49 879)
-	-	-	Community & Social Services	-	-	-
-	-	-	Housing	-	-	-
-	-	-	Public Safety	1 183 705	2 070 857	(887 152)
-	-	-	Sport and Recreation	-	-	-
1 048 248	3 921 166	(2 872 918)	Environmental Protection	1 385 188	2 571 351	(1 186 163)
-	-	-	Waste Management	-	-	-
-	-	-	Waste Water Management	-	-	-
30 758 099	33 219 900	(2 461 801)	Road Transport	20 806 243	20 806 243	-
-	-	-	Water	-	4 798	(4 798)
-	-	-	Electricity	600	98 550	(97 950)
76 407 297	69 970 346	6 436 951	Sub Total	60 994 994	56 001 339	4 993 655
-	-	-	Less Inter-Departmental Charges	-	-	-
76 407 297	69 970 346	6 436 951	Total	60 994 994	56 001 339	4 993 655

APPENDIX E(1)
NAMAKWA DISTRICT MUNICIPALITY
REVENUE AND EXPENDITURE
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2010
GENERAL FINANCE STATISTIC CLASSIFICATIONS

	2010 Actual (R)	2010 Budget (R)	2010 Variance (R)	2010 Variance (%)	Explanation of Significant Variances greater than 10% versus Budget
REVENUE					
Property rates	383 173	380 000	3 173	0.84%	
Government Grants and Subsidies	52 893 867	83 410 821	(30 516 954)	-36.59%	Projects started after year-end
Public Contributions and Donations	-	-	-		
Contributed PPE	-	-	-		
Fines	-	20 000	(20 000)	-100.00%	Incorrect Budget
Third Party Payments	-	-	-		
Actuarial gains	345 951	-	345 951		
Dividends received	-	-	-		
Property rates - Penalties & Collection Charges	-	-	-		
Service Charges	-	-	-		
Water Services Authority Contribution	-	-	-		
Rental of Facilities and Equipment	592 074	6 903 954	(6 311 880)	-91.42%	Less rental to Department of Transport
Interest Earned - External Investments	3 682 655	2 850 000	832 655	29.22%	Increase in Investments
Interest Earned - Outstanding Receivables	-	1 000	(1 000)	-100.00%	No interest charged
Licences and Permits	-	-	-		
Agency Services	2 294 478	1 280 000	1 014 478	79.26%	Additional Agency Services
Other Income	653 799	111 600	542 199	485.84%	Implementation of GRAP
Unamortised discount - Interest	-	-	-		
Gains on Disposal of PPE	-	40 000	(40 000)	-100.00%	Additional vehicles trade-in
Reversal of Impairment Loss	-	-	-		
Changes in Fair Value	-	-	-		
Inventory: Reversal of write-down to Net Realisable Value	-	-	-		
Total Revenue	60 845 998	94 997 375	(34 151 377)	-35.95%	
EXPENDITURE					
Executive & Council	12 808 075	22 085 098	(9 277 023)	-42.01%	Projects started after year-end
Budget & Treasury Office	4 089 973	4 947 214	(857 240)	-17.33%	Projects started after year-end
Corporate Services	5 955 079	6 343 531	(388 452)	-6.12%	Projects started after year-end
Planning & Development	7 546 534	35 027 263	(27 480 729)	-78.46%	Projects started after year-end
Health	49 879	52 000	(2 121)	-4.08%	
Community & Social Services	-	-	-		
Housing	-	-	-		
Public Safety	2 070 857	2 551 431	(480 574)	-18.84%	Projects started after year-end
Sport & Recreation	-	-	-		
Environmental Protection	2 571 351	2 769 911	(198 560)	-7.17%	
Waste Management	-	200 000	(200 000)	-100.00%	Swartzkop town not promulgated
Waste Water Management	-	260 000	(260 000)	-100.00%	Swartzkop town not promulgated
Road Transport	20 657 247	29 609 006	(8 951 759)	-30.23%	Projects started after year-end
Water	4 798	565 000	(560 202)	-99.15%	Swartzkop town not promulgated
Electricity	98 550	795 000	(696 450)	-87.60%	Swartzkop town not promulgated
Less: Interdepartmental Charges	-	-	-		
Total Expenditure	55 852 343	105 205 454	(49 353 111)	-46.91%	
NET SURPLUS/(DEFICIT) FOR THE YEAR	4 993 655	(10 208 079)	15 201 733	-148.92%	

APPENDIX E (2)
NAMAKWA DISTRICT MUNICIPALITY
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2010
ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS
GENERAL FINANCE STATISTIC CLASSIFICATIONS

	2010 Actual	2010 Under Construction	2010 Total Additions	2010 Budget	2010 Variance	2010 Variance	Explanation of Significant Variances greater than 5% versus Budget
	R	R	R	R	R	%	
Executive & Council	245 473	-	245 473	50 500	194 973	386.09%	Lease Assets not included in budget
Budget & Treasury Office	236 842	-	236 842	270 500	(33 658)	-12.44%	Savings on price
Corporate Services	1 667 411	-	1 667 411	2 067 500	(400 089)	-19.35%	Savings on price
Planning & Development	59 569	-	59 569	68 000	(8 431)	-12.40%	Savings on price
Health	-	-	-	-	-		
Community & Social Services	-	-	-	-	-		
Housing	-	-	-	-	-		
Public Safety	427 339	-	427 339	495 000	(67 661)	-13.67%	Uncertainty regarding Transport Agency
Sport & Recreation	-	-	-	-	-		
Environmental Protection	48 225	-	48 225	55 200	(6 975)	-12.64%	Savings on price
Waste Management	-	-	-	-	-		
Waste Water Management	-	-	-	-	-		
Road Transport	-	-	-	21 000	(21 000)	-100.00%	Uncertainty regarding Transport Agency
Water	-	-	-	-	-		
Electricity	-	-	-	-	-		
				-			
Total	2 684 859	-	2 684 859	3 027 700	(342 841)	-11.32%	

APPENDIX F
NAMAKWA DISTRICT MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grant Description	Balance 30 June 2009	Contributions during the year	Interest on Investments	Other Income	Operating Expenditure during the year Transferred to Revenue	Capital Expenditure during the year Transferred to Revenue	Balance 30 June 2010
<u>National</u>							
Finance Management Grant	488 076	750 000	-	-	(1 112 335)	-	125 741
RSC Levies Replacement Grant	-	22 142 000	-	-	(22 142 000)	-	-
Equitable Share	-	2 846 812	-	-	(2 846 812)	-	-
Councillors Remuneration Grant	-	694 000	-	-	(694 000)	-	-
MIG	1 655 104	4 651 000	-	-	-	-	6 306 104
MSIG	1 529 249	(1 256 433)	-	-	(88 217)	-	184 599
PIMS	576 334	1 900 759	-	-	(1 037 334)	-	1 439 759
<u>Provincial</u>							
Border Fencing	54 239	-	-	-	-	-	54 239
Health Inspector Subsidy	-	1 385 188	-	-	(1 385 188)	-	-
Civil Defence Subsidy	-	875 000	-	-	(875 000)	-	-
Department of Transport	6 739 732	15 175 000	-	-	(21 282 590)	-	632 143
Drought Relief	743 951	-	-	-	(386 689)	-	357 262
EPWP	135 792	-	-	-	-	-	135 792
Fire Equipment Grant	316 568	320 000	-	-	(329 053)	-	307 515
IDP/LDO	253 633	205 674	-	-	(38 401)	-	420 906
Komaggas Road	4 371	-	-	-	-	-	4 371
SA Projects	205 909	-	-	-	-	-	205 909
Namaqua Sanitation Bucket System	239 583	-	-	-	(26 188)	-	213 395
NC Housing	500 000	-	-	-	-	-	500 000
Middelpoos	21 240	-	-	-	(21 240)	-	-
Nieuwoudtville Access Road	126 312	-	-	-	(126 312)	-	-
Sakrivier Bridge	730 347	-	-	-	(217 724)	-	512 623
Contingency Fund	938 463	-	-	-	(20 536)	-	917 927
Fencing	42 555	-	-	-	-	-	42 555
Electronic Filing System	15 227	-	-	-	-	-	15 227
Sport Development Grant	17 700	-	-	-	(17 700)	-	-
<u>Other</u>							
Brandvlei Electricity Network	12 896	-	-	-	-	-	12 896
Maintenance Fund	22 233	-	-	-	-	-	22 233
Spoegrivier Sport Ground (Lotto)	5 290	-	-	-	-	-	5 290
Swartzkop Sport Ground (Lotto)	207 475	-	-	-	-	-	207 475
Training Reserve (SETA)	447 808	89 610	-	-	-	-	537 418
Kamiesberg Special Fund	112 720	630 000	-	-	(596 664)	-	146 055
Richtersveld Special Fund	40 713	232 000	-	-	(180 450)	-	92 263
Total	16 183 520	50 640 610	-	-	(53 424 432)	-	13 399 697

report of the auditor - general

AUDITOR'S REPORT OF THE AUDITOR-GENERAL TO THE NORTHERN CAPE PROVINCIAL LEGISLATURE AND THE COUNCIL OF THE NAMAKWA DISTRICT MUNICIPALITY

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Namakwa District Municipality, which comprise the statement of financial position as at 30 June 2010, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 50 to 118.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Statements of Generally Recognised Accounting Practice (GRAP) as set out in accounting policy note 1 and in the manner required by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of South Africa, 1996 (Act No. 108 of 1996), section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and section 126(3) of the MFMA, my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

7. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Namakwa District Municipality as at 30 June 2010, and its financial performance and cash flows for the year then ended, in accordance with the Statements of GRAP and in the manner required by the MFMA.

Emphasis of matters

8. I draw attention to the matters below. My opinion is not modified in respect of these matters:

Restatement of corresponding figures

9. As set out in note 35.1 to the financial statements, a liability of R15 362 930 relating to non-current employee benefits that were previously not recognised due to the municipality opting to take advantage of the transitional provisions per Directive 4, has now been recognised.
10. As set out in note 35.2 to the financial statements, an error of R426 906 relating to property, plant and equipment not previously recognised has been corrected.
11. As set out in note 35.3 to the financial statements, an error of R1 384 615 relating to intangible assets not previously recognised has been corrected.
12. As set out in note 35.4 to the financial statements, an error of R2 787 577 relating to agency services on behalf of the Department of Transport not previously recognised has been corrected.
13. As set out in note 35.5 and note 35.6 to the financial statements, an error of R72 915 has been corrected relating to the incorrect disclosure of unspent Working for Water funds as unspent conditional grants.

Irregular expenditure

14. As disclosed in note 41.3 to the financial statements, irregular expenditure of R312 928 was incurred due to non-compliance with the supply chain management prescripts of the municipality.

Additional matter

15. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Unaudited supplementary schedules

16. The supplementary information set out in appendices A to F does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

17. As required by the PAA and in terms of *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*, I include below my findings on the report on predetermined objectives, compliance with the MFMA, Division of Revenue Act of South Africa, 2009 (Act No. 12 of 2009) (DoRA), Municipal Regulations, Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000) (MSA) and Municipal Structures Act of South Africa, 1998 (Act No. 117 of 1998), and financial management (internal control).

Predetermined objectives

18. Material findings on the report on predetermined objectives, as set out on pages xx to xx, are reported below:

Non-compliance with regulatory and reporting requirements

19. The integrated development plan of the municipality did not include the key performance indicators and

performance targets determined in terms of its performance management system, as required by sections 26(i) and 41(1)(b) of the MSA.

20. The integrated development plan of the municipality did not include a financial plan that included a budget projection for at least three years, as required by section 26(h) of the MSA.
21. The municipality did not appoint a performance audit committee, nor was another audit committee utilised as the performance audit committee, as required by regulation 14(2) of the Municipal Planning and Performance Management Regulations, 2001.
22. The performance management system of the municipality did not relate to the municipality's employee performance management processes, as required by regulation 7(1)(f) of the Municipal Planning and Performance Management Regulations, 2001.
23. The municipality did not establish mechanisms to monitor and review its performance management system during the financial year, as required by section 40 of the MSA.

Usefulness of reported performance information

The following criteria were used to assess the usefulness of the planned and reported performance:

- Consistency: Has the municipality reported on its performance with regard to its objectives, indicators and targets in its approved integrated development plan, i.e. are the objectives, indicators and targets consistent between planning and reporting documents?
- Relevance: Is there a clear and logical link between the objectives, outcomes, outputs, indicators and performance targets?
- Measurability: Are objectives made measurable by means of indicators and targets? Are indicators well defined and verifiable, and are targets specific, measurable and time bound?

The following audit findings relate to the above criteria:

Reported information not consistent with planned objectives, indicators and targets

24. The municipality did not report on its performance against predetermined targets, which were consistent with the approved integrated development plan.

Planned and reported performance targets not specific or measurable

25. For the selected objective, more than 50% of the planned and reported targets were not specific in clearly identifying the nature and the required level of performance or measurable in identifying the required performance.

Reliability of reported performance information

The following criteria were used to assess the reliability of the planned and reported performance:

- Validity: Has the actual reported performance occurred and does it pertain to the entity, i.e. can the reported performance information be traced back to the source data or documentation?
- Accuracy: Have amounts, numbers and other data relating to reported actual performance been recorded and reported appropriately?
- Completeness: Have all actual results and events that should have been recorded been included in the reported performance information?

The following audit findings relate to the above criteria:

Planned and reported indicators or measures not verifiable

26. For the selected objectives, more than 50% of the planned and reported indicators were not verifiable, as it was not possible to validate the processes and systems that produced the indicator.

Reported targets not reliable as inadequate supporting source information was provided

27. For the selected objective, the validity, accuracy and completeness of more than 50% of the reported targets could not be established, as sufficient appropriate audit evidence or relevant source documentation could not be provided for audit purposes.

Compliance with laws and regulations

Municipal Finance Management Act

28. Contrary to the requirements of section 17(1) and (2) of the MFMA, the municipal budget did not disclose projected capital expenditure for the two financial years following the budget year.
29. Contrary to the requirements of section 62(1)(c)(i) of the MFMA, the accounting officer did not take all reasonable steps to ensure that the municipality had and maintained effective, efficient and transparent systems of financial and risk management and internal control.
30. Contrary to the requirements of section 64(2)(a) of the MFMA, the accounting officer did not ensure that the municipality had effective revenue-collection systems, as no effective action had been taken to recover long-outstanding debtor accounts amounting to at least R2 786 764.
31. Contrary to section 64(2)(g) of the MFMA, the accounting officer did not ensure that the municipality charged interest on all long-outstanding debts.
32. Contrary to section 65(2)(e) of the MFMA, the municipality did not pay money owing by the municipality within 30 days of receiving the relevant invoice or statement.
33. Contrary to the requirements of section 166(1) of the MFMA, the municipality did not establish an audit committee during the financial year.
34. Contrary to the requirements of section 165(2) of the MFMA, the internal audit unit did not adequately advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to internal control, accounting procedures and practices, risk and risk management as well as compliance with the MFMA, the annual DoRA and any other applicable legislation. Furthermore, the internal audit unit was not independent from the operational management structure of the municipality and did not perform its work in accordance with prescribed internal audit standards.

Municipal Systems Act

35. Contrary to the requirements of section 53 of the MSA, the roles and responsibilities of political office-bearers in relation to the appointment of staff within the municipality were not clearly defined.
36. Contrary to the requirements of section 57 of the MSA, no performance agreements were entered into with the municipal manager or the managers directly accountable to the municipal manager.
37. Contrary to the requirements of section 67(1) of the MSA, the municipality did not have an approved selection and recruitment policy.

Construction Industry Development Board Act of South Africa, 2000 (Act No. 38 of 2000)

38. Contrary to the requirements of section 18(1) of this act, construction contracts to the value of R794 457 were awarded to contractors who were not registered with the Construction Industry Development Board.

INTERNAL CONTROL

39. I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the MFMA, DoRA, Municipal Regulations, MSA and Municipal Structures Act, 1998, but not for the purpose of expressing an opinion on the effectiveness of internal control.
40. The matters reported below are limited to the deficiencies identified on the report on predetermined objectives and the findings on compliance with laws and regulations.

Leadership

41. A number of audit findings relating to material non-compliance with the provisions of the MFMA and the MSA were identified. The instances of non-compliance occurred due to the fact that the mayor and the accounting officer did not exercise oversight responsibility over reporting and compliance with laws and regulations. A direct contributing factor was the suspension of the municipal manager and the chief financial officer during the year.

Financial and performance management

42. A number of audit findings relating to the absence of required information as well as misstatements in the financial statements were identified. Misstatements identified were due to the following:
- The entity did not have individuals who fully understood the GRAP financial reporting framework and performance management requirements.
 - Pertinent information was not identified and captured in a form and time frame to support financial and performance reporting.
 - The financial statements and other information to be included in the annual report were not reviewed for completeness and accuracy prior to submission for auditing.

Governance

43. The municipality did not have adequate processes for risk identification and risk management.
44. The municipality did not have adequate processes for fraud prevention and detection.
45. The internal audit unit did not fulfil its responsibilities as set out in legislation and in accordance with accepted best practice and standards.
46. The municipality did not establish an audit committee that promoted independent accountability and service delivery.

Kimberley

22 December 2010



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence